

1976

## Voter Information Guide for 1976, General Election

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# CALIFORNIA VOTERS PAMPHLET GENERAL ELECTION

NOVEMBER 2, 1976  
COMPILED BY MARCH FONG EU  
SECRETARY OF STATE

ANALYSES BY A. ALAN POST  
LEGISLATIVE ANALYST

## NOTICE:

A Spanish translation of this entire ballot pamphlet has been prepared and is available free upon request. You may obtain a translated pamphlet by returning the postage-paid card enclosed between pages 64 and 65. PRINT your name and address on the card, and mail it no later than *October 22, 1976*. After that date, contact your County Clerk or Registrar of Voters to secure a translated copy.

## AVISO:

Una traducción completa del folleto de la papeleta de votación ha sido preparada en español y puede ser obtenida gratis a petición. Usted puede obtener una traducción de este folleto si nos envía la tarjeta con porte pagado que encontrará entre las páginas 64 y 65. Escriba su nombre y dirección en letra de molde y envíenos la tarjeta por correo antes del *22 de octubre de 1976*. Después de esa fecha usted podrá obtener el folleto traducido si se pone en contacto con el Secretario del Condado o Registrante de Votantes.

## 通告

此選民手冊有中文譯本，免費供給。如你需要一份，請在第64頁、第65頁內附有郵票之卡片上，填寫你的姓名、地址，在一九七六年十月廿二日或以前寄回來。逾此期後，請與縣書記或選民註冊官聯絡，索取譯本。





## Secretary of State

SACRAMENTO 95814

Dear Californians:

This is the English version of the California ballot pamphlet for the November 2, 1976, General Election. It contains the ballot title, short summary, legislative vote cast for and against each measure proposed by the Legislature, the Legislative Analyst's analysis and fiscal effect prediction, pro and con arguments and rebuttals, and the complete text of each of the measures.

You will note a Spanish and a Chinese language caption on the front cover of this pamphlet. These captions and the postcard attached between pages 64 and 65 are the state's method of complying with the 1975 amendments to the Federal Voting Rights Act. These amendments provide for minority-language elections materials in those counties where a single-language minority comprises five percent of the total population within that county.

I urge you to take the time to carefully read each of the measures and accompanying information so that you will understand what your "yes" or "no" vote means when you exercise your right to vote on November 2.

Legislative propositions and citizen-sponsored initiatives are designed specifically to give the electorate the opportunity to influence the laws which regulate us. I encourage all of you to take advantage of this opportunity.

*March Fong Eu*



## Secretary of State

SACRAMENTO 95814

**Estimados californianos:**

Esta es la versión inglesa del folleto de balota de California para la Elección General que se celebrará el día 2 de noviembre de 1976. El folleto contiene el título de balota, un resumen breve, la votación legislativa en favor o en contra de cada medida propuesta por el cuerpo legislativo, el análisis del analista legislativo y el efecto fiscal conjeturado, los razonamientos en favor y en contra y sus réplicas, y el texto íntegro de cada medida.

Ud. notará una anotación en español y en chino en la portada de este folleto. Esta anotación y la tarjeta postal impresa en dichos idiomas adjunta las páginas 64 y 65 representan el cumplimiento de las enmiendas al Decreto Ley Federal de Derecho de Votar que se llevaron a cabo en 1975. Estas enmiendas estipulan la formulación de materiales para las elecciones en lenguas minoritarias en aquellos condados donde una lengua minoritaria represente el 5% del pueblo del condado.

Insto a Ud. a que lea cuidadosamente cada una de las medidas, así como la información que las acompaña, para que llegue a entender cuál será el efecto de su voto positivo o negativo al ejercer el derecho de votar en el día 2 de noviembre.

Las proposiciones legislativas y las iniciativas patrocinadas por grupos de ciudadanos tienen la meta específica de darles a los electores la oportunidad de ejercer cierta influencia en las leyes que nos rigen. Insto a todos a que aprovechen esta oportunidad.

*March Fong Eu*



## Secretary of State

SACRAMENTO 95814

各位加省居民：

這是一九七六年十一月二日大選加省選民手冊英文版。包括選票標題、簡短敘述、議院提案贊成和反對票數、立法分析者的分析和經濟效果的預測，贊成及反對的理由和提案的原文。

這手冊封面有中文和西班牙文說明。這些說明與及在 64 和 65 頁間的明信片，是加省採用作遵奉聯邦選舉權法例一九七五年修改法案的辦法。這些修改法案規定，凡每縣份人口中有百分之五是單獨言語的少數民族，這縣份就有少數民族言語的選舉資料。

我敦促各位詳細閱讀每一條提案及其他資料，能夠在十一月二日選舉時明白贊成及反對的意義。

立法提案和公民提出的請願是特為容許選民影響立法而設，我鼓勵各位善用這機會。

余江月桂

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# 1

## Housing Finance Bond Law of 1975

### Ballot Title

#### FOR THE HOUSING FINANCE BOND LAW OF 1975

This Act provides for a bond issue of five hundred million dollars (\$500,000,000) to provide funds for financing housing.

#### AGAINST THE HOUSING FINANCE BOND LAW OF 1975

This Act provides for a bond issue of five hundred million dollars (\$500,000,000) to provide funds for financing housing.

### FINAL VOTE CAST BY LEGISLATURE ON AB 1 (PROPOSITION 1)

Assembly—Ayes, 61  
Noes, 8

Senate—Ayes, 33  
Noes, 6

### Analysis by Legislative Analyst

#### PROPOSAL:

**Background:** In 1975 the Legislature created the California Housing Finance Agency to finance housing for persons of low or moderate income principally by means of direct loans and through loan insurance.

Under the direct loan program, the agency can make mortgage or construction loans for housing developments. Loans can also be made to purchase and improve existing homes in areas which are deteriorating or where financing is not generally available. These areas are defined as concentrated rehabilitation areas and mortgage fund assistance areas. The agency obtains funds for such loans by selling state bonds. Currently, the agency has authority to sell \$300 million in tax-exempt revenue bonds and \$150 million in taxable, federally guaranteed revenue bonds. The revenue bonds must be paid off from loan repayments and there is no legal obligation upon the state to pay off the bondholders if the loan repayments are not sufficient to meet these obligations. However, a loan of \$10 million was made to the agency from the state's General Fund to provide a reserve for repayment of these revenue bonds in the event of loan defaults.

Under the insurance program, the agency can insure its own loans and those made by private mortgage lenders in designated community improvement, concentrated rehabilitation, or mortgage funds assistance areas. An appropriation of \$5 million was made from the General Fund to provide reserves and operating expenses for the insurance program fund. The liability of the agency and the state is limited to amounts in the insurance fund.

In addition to the revenue bonds currently authorized, this proposition would authorize the agency to issue \$500 million in state general obligation bonds. The proceeds of this bond issue would be used for the following purposes:

- (1) Expenses incurred in selling the bonds (estimated at \$625,000);
- (2) Repayment of the \$10 million General Fund loan mentioned previously;
- (3) Transfer up to \$50 million to the insurance program fund to provide additional reserves for loan insurance;
- (4) The remainder to be available for additional mortgage and construction loans.

#### FISCAL EFFECT:

The total interest cost for this bond issue will depend on prevailing interest rates at the time the bonds are sold and the length of the repayment periods. Based on an average interest rate of about six percent and repayment periods of up to 40 years, the total interest cost of these bonds will be approximately \$600 million. The total principal and interest costs, therefore, will be approximately \$1.1 billion.

The act provides for repayment of the bonds and interest out of loan repayments unless such action would impair the ability of the agency to meet its current expenses and obligations.

If at any time the agency is unable to make a payment of principal or interest, the state's taxpayers would be required to make the payment because this is a general obligation bond issue.

## Text of Proposed Law

This law proposed by Assembly Bill 1 (Statutes of 1975 (1975-76 First Extraordinary Session), Chapter 1), as amended by Senate Bill 258 (Statutes of 1975, Chapter 1223), is submitted to the people in accordance with the provisions of Article XVI of the Constitution.

(This proposed law does not expressly amend any existing law; therefore, the provisions thereof are printed in *italic type* to indicate that they are new.)

### PROPOSED ADDITION OF PART 4 (COMMENCING WITH SECTION 41800) TO DIVISION 31 OF THE HEALTH AND SAFETY CODE

#### PART 4. HOUSING FINANCE BOND LAW OF 1975

41800. This part shall be known and may be cited as the *Housing Finance Bond Law of 1975*.

41801. Bonds in the total amount of five hundred million dollars (\$500,000,000), or so much thereof as is necessary, may be issued and sold to provide a fund to be used by the California Housing Finance Agency to finance housing developments and other residential structures, as authorized in this division, for the primary purpose of increasing the availability of housing within this state for persons and families of low or moderate income, and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. However, the proceeds of the bonds shall first be used to repay to the General Fund in the State Treasury the amount advanced to the Supplementary Bond Security Account established by Part 3 of this division, less amounts already repaid on account of such advance at the time of the issuance of the bonds and, to the extent required by Section 41806.5, proceeds shall be transferred to the Housing Rehabilitation Insurance Fund. Such bonds shall be known and designated as the *State Housing Finance Bonds*, and when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California are hereby pledged for the punctual payment of principal and interest on such bonds as such principal and interest become due and payable.

The state shall not have outstanding at any one time general obligation bonds specified in this part in an aggregate principal amount exceeding five hundred million dollars (\$500,000,000), excluding bonds issued to refund outstanding bonds.

41802. The Housing Bond Credit Committee created by Section 41707, upon the request of the board stating the purposes for which bonds are proposed to be issued and the amount of the proposed issuance, shall determine whether or not a bond issue under this part is necessary or desirable to accomplish such purposes. The committee shall have the authority and shall perform the functions specified in the State General Obligation Bond Law, Chapter 4 (commencing with Section 16720) of Part 3, Division 4, Title 2 of the Government Code.

41803. There shall be collected each year and in the same manner and at the same time as other state revenue is collected such sum in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on the bonds maturing in that year, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of such revenue to do and perform each and every act which shall be necessary to collect such additional sum.

41804. There is hereby appropriated from the General Fund in the State Treasury for the purposes of this part, such an amount as will equal the following:

(a) Such sum annually as will be necessary to pay the principal and interest on bonds issued and sold pursuant to the provisions of this part as such principal and interest become due and payable.

(b) Such sum as is necessary to carry out the provisions of Section 41805, which sum is appropriated without regard to fiscal years.

41804.5. The General Obligation Bond Account is hereby created in the California Housing Finance Fund.

41805. For the purposes of carrying out the provisions of this part, the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purposes specified in Section 41801. Any amounts withdrawn shall be deposited in the General Obligation Bond Account in the California Housing Finance Fund, and any moneys

made available in such a manner shall be returned to the General Fund from moneys received from the sale of bonds sold for such purposes.

41806. The proceeds of bonds issued and sold pursuant to this part shall be deposited in the General Obligation Bond Account in the California Housing Finance Fund and may be expended only for the purposes specified in this division. Any interest or other increment resulting from the deposit or investment of moneys in the General Obligation Bond Account shall be deposited in such account. Moneys derived by the agency from financing housing developments with the proceeds of bonds issued pursuant to this part shall be deposited in such account. Notwithstanding any other provision of this division, moneys in the General Obligation Bond Account and moneys, property, and mortgages derived therefrom shall not be pledged to secure any obligation of the agency created pursuant to Chapter 7 (commencing with Section 41700) of Part 3 of this division.

41806.5. (a) Within 120 days after the agency sells general obligation bonds pursuant to this part, there shall be transferred from the proceeds of such bonds to the Housing Rehabilitation Insurance Fund created by Chapter 2 of the Statutes of 1975 (First Extraordinary Session) an amount which, as of the date of such transfer, is equal to that amount of money deposited, and required to be maintained, in the loan insurance reserve account or accounts of the Housing Rehabilitation Insurance Fund for the purpose of securing commitments and contracts of insurance for loans made or assisted pursuant to Part 3 (commencing with Section 41300) of this division.

(b) In addition to the amounts transferred pursuant to subdivision (a), the agency may, subject to a review by the agency of the program needs and the economic viability of the program of loan insurance established pursuant to Part 5 (commencing with Section 42000), authorize the transfer from the proceeds of the general obligation bonds sold pursuant to this part to the Housing Rehabilitation Insurance Fund not more than fifty million dollars (\$50,000,000) for carrying out the purposes of such part. Subject to such maximum limitation, the amount transferred by the agency pursuant to this subdivision shall not be less than an amount equal to the amount of money which is required to be deposited and maintained in the loan insurance reserve account or accounts of the Housing Rehabilitation Insurance Fund for the purpose of securing such commitments and contracts of loan insurance for loans made or assisted pursuant to Part 3 (commencing with Section 41300) of this division, as may be made after the date of the transfer required by subdivision (a).

(c) For general obligation bond funds transferred to the Housing Rehabilitation Insurance Fund pursuant to this section, the amounts necessary for the payment of principal, interest, and sinking fund payments on such bonds shall be transferred from the Housing Rehabilitation Insurance Fund to the General Obligation Bond Account to the extent reserves and working capital of the Housing Rehabilitation Insurance Fund would not be impaired.

41807. On the several dates on which funds are remitted pursuant to Section 16676 of the Government Code for the payment of the then maturing principal and interest on the bonds in each fiscal year, there shall be returned into the General Fund in the State Treasury moneys from the General Obligation Bond Account in the California Housing Finance Fund in an amount which is sufficient for the payment of principal and interest on the bonds then due and payable, if, and to the extent that, the transfer of such moneys from the General Obligation Bond Account in the California Housing Finance Fund will not unreasonably impair the working capital of the California Housing Finance Agency. In the event moneys transferred from the General Obligation Bond Account in the California Housing Finance Fund to the General Fund on such remittance dates are less than the principal and interest then due and payable with respect to the bonds, then the balance remaining unpaid, together with interest thereon at the rate borne by such bonds compounded semiannually from the date of maturity, shall be returned into the General Fund out of the General Obligation Bond Account in the California Housing Finance Fund as soon thereafter as it shall become available, without unreasonable impairment of the working capital of the agency.

41808. The bonds authorized by this part shall be prepared, executed, issued, sold, paid and redeemed as provided in the State General Obligation Bond Law, Chapter 4 (commencing with Section 16720) of Part 3, Division 4, Title 2 of the Government Code, and all of the provisions of that law are applicable to the bonds and to this

Continued on page 58



## Argument in Favor of Proposition 1

Your YES vote on Proposition 1 will make loans available to many working California families and elderly persons now unable to afford good housing.

Because construction costs are rapidly rising, fewer homes are being built and those being constructed are too expensive for the average California family. As a result, more and more California families and elderly persons are unable to find adequate housing. Middle-income families are also finding themselves priced out of the housing market.

The Zenovich-Moscone-Chacon Housing and Home Finance Act of 1975 established the California Housing Finance Agency to help solve California's housing problems. Proposition 1 will provide funds for this Agency to make low-interest loans to qualified families and elderly persons to rent, repair, or buy a home.

There will be NO COST to any taxpayer, and NO INCREASE IN TAXES (now or in the future) because the programs of the California Housing Finance Agency are fully self-supporting. The bonds which will be authorized by your YES vote will be repaid by the loan payments made by the persons who qualify for the loans.

All of the housing financed by loans from the California Housing Finance Agency will be of high quality and required to conform to high economic and financial standards.

A strong housing industry creates jobs. A YES vote will help to stimulate housing construction and help reduce California's unemployment rate.

A YES vote on Proposition 1 will offer other social and economic benefits to the people of the State. The real estate, the home supply and the building materials industries will benefit from the increased economic activity generated by these programs. The state, too, will benefit from the increase in revenues generated by the increased economic activity. The result is that thousands of jobs will be created and maintained in these industries, and millions of dollars of new purchasing power will be developed, stimulating the entire economy of California.

Californians need more housing at lower costs, and we need more jobs so that we can all live a little better. By voting YES on Proposition 1, you are voting YES for more housing and more jobs.

Vote YES on Proposition 1.

**EDMUND G. BROWN JR.**  
*Governor of California*

**EVELLE J. YOUNGER**  
*Attorney General of California*

**PETER R. CHACON**  
*Member of the Assembly, 79th District*

## Rebuttal to Argument in Favor of Proposition 1

Let's set the record straight. General Obligation Bonds are repaid out of taxpayers' money. The proponents of Proposition 1 claim that it will not cost taxpayers money nor will it raise taxes now or in the future. How could that be? That's not what Proposition 1 says.

The fact is, Proposition 1 specifically requires the state to repay the bonded indebtedness out of the General Fund of the State Treasury. Proceeds from the housing loans will be deposited in the Fund to help offset this financial drain, but this law will hold California taxpayers responsible for the entire half a billion dollar debt (plus interest!).

Furthermore, Proposition 1 SPECIFICALLY AUTHORIZES A TAX INCREASE FOR THIS PURPOSE UNDER SECTION 41863! Politicians always claim that taxes won't go up, but like hot air, they always do.

Section 41022 would have the government discriminate in favor of certain "religious, ancestral or national-origin groups". It even provides preferential treatment for so-called "sexually disadvantaged groups", whatever that means these days.

Proponents claim that Proposition 1 will help the working people and the elderly. BALONEY! It is the working people and the elderly who have been footing the bill for too long. Now is the time to put a stop to it. After all, how often do you get the chance to vote against higher taxes?

Vote "NO" on Proposition 1.

**ROBERT C. CLINE**  
*Member of the Assembly, 37th District*

**H. L. "BILL" RICHARDSON**  
*Member of the Senate, 19th District*

## Argument Against Proposition 1

Proposition 1 is a half billion dollar boondoggle to finance "low and moderate" income housing—it finances affirmative action housing to be erected in middle income neighborhoods to eliminate "racial isolation".

Under this Proposition, if low income citizens default on loans, all Californians could be required to bail them out.

California already has over five billion dollars in outstanding bonds at the state level and billions more at the local level. Now you are being asked to vote for one-half billion dollars more. We say we should not go the way of New York City, piling debt upon debt.

This bond issue boondoggle would build only 13,000 houses, and to make matters worse, local construction workers might not even be allowed to work on the construction projects. Instead, Proposition 1 stipulates that the Housing Agency must conduct a thorough search for disadvantaged minority workers.

Proposition 1 calls this affirmative action. We call it reverse discrimination.

Everybody dislikes slums. The question is: What is gained by building cheap, low income housing in the midst of established neighborhoods? The only sure result will be a drastic decrease in the property values for local homeowners.

Can middle income families qualify for loans under this program? Yes, if they move into low income or slum neighborhoods.

Wasteful government spending like this causes inflation and makes our money buy less, including housing. The answer is simple. Don't let the government get into the business of lending money, setting quotas or affirmative action. It is bad enough to institutionalize discrimination. It is even worse to go one-half billion dollars in debt to do it.

ROBERT C. CLINE

*Member of the Assembly, 37th District*

H. L. "BILL" RICHARDSON

*Member of the Senate, 19th District*

## Rebuttal to Argument Against Proposition 1

Proposition 1 and the programs it supports are the result of over three years of intensive study by the Legislature and representatives of business, labor, and local government. Only after very careful consideration did the Legislature create the Housing Finance Agency. Now, using sound management practices and prudent lending policies, this Agency will match the perfect record of the Cal Vet home loan program which has been entirely self-sufficient for over 54 years.

California has an excellent credit rating resulting from careful management. The State Constitution wisely controls the use of state credit, and prudent policies and continued responsible management insure that we will keep our fine financial reputation.

Don't be misled by the opponents' charge that local construction workers won't work on these projects. That's **totally false**! The fact is Proposition 1 will create over 30,000 new jobs in the construction industry alone, and local construction workers all over the State will get these jobs.

This Proposition won't decrease property values, just the opposite! The programs Proposition 1 supports were carefully designed by the Legislature to revitalize neighborhoods by making low-interest loans to working families to upgrade housing thereby arresting the decline of property values in the area.

The opponents' argument against this Proposition is full of false statements and misrepresentations. Proposition 1 does two things—it makes affordable homes available to working families and elderly persons, and it creates jobs.

We need more houses, and we need more jobs. Vote YES on Proposition 1.

EDMUND G. BROWN JR.

*Governor of California*

EVELLE J. YOUNGER

*Attorney General of California*

PETER R. CHACON

*Member of the Assembly, 79th District*

# 2

## Nejedly-Hart State, Urban, and Coastal Park Bond Act of 1976

### Ballot Title

#### FOR THE NEJEDLY-HART STATE, URBAN, AND COASTAL PARK BOND ACT OF 1976

This Act provides for a bond issue of two hundred eighty million dollars (\$280,000,000) to be used to meet the recreational requirements of the people of the State of California by acquiring, developing, and restoring real property for state and local park, beach, recreational, and historical resources preservation purposes.

#### AGAINST THE NEJEDLY-HART STATE, URBAN, AND COASTAL PARK BOND ACT OF 1976

This Act provides for a bond issue of two hundred eighty million dollars (\$280,000,000) to be used to meet the recreational requirements of the people of the State of California by acquiring, developing, and restoring real property for state and local park, beach, recreational, and historical resources preservation purposes.

### FINAL VOTE CAST BY LEGISLATURE ON SB 1321 (PROPOSITION 2)

Assembly—Ayes, 66  
Noes, 0

Senate—Ayes, 34  
Noes, 0

### Analysis by Legislative Analyst

#### PROPOSAL:

This proposition would finance the acquisition, development, or restoration of state and local parks, beaches, historical resources, recreational facilities, and wildlife conservation projects through the sale of \$280 million of state general obligation bonds.

In recent years the state has financed most of the acquisition and development of state and local parks, beaches, historical properties, recreational facilities, and wildlife preserves in this way. Similar bond issues were approved in 1964 and 1974. These provided respectively \$150 million and \$250 million for such projects. All of the 1964 bonds have been sold and it is anticipated that the remaining 1974 bonds will be sold by 1978. Principal and interest on these bonds are paid entirely from the general tax revenues of the state.

This proposed 1976 bond act would emphasize acquisition of coastal lands for recreational purposes. The proceeds of the bond issue would be deposited in the State, Urban, and Coastal Park Fund or the State Coastal Conservancy (fund). These proceeds would be available for appropriation by the Legislature for projects which meet the following purposes:

#### State, Urban, and Coastal Park Fund:

- (a) Grants to counties, cities, and districts for the acquisition, development, or restoration of real property for parks, beaches, recreation, and historic preservation. .... \$85,000,000
- (b) State acquisition, development, or restoration of real property for the state park system. .... 34,000,000

- (c) State acquisition of coastal recreational resources consisting of real property for the state park system. Priority would be given to acquisition of coastal lands which (1) are near urban areas, (2) contain important environmental areas, (3) provide public access to the coast, (4) offer high recreational value, (5) are proposed as a coastal reserve or preserve, and (6) preserve highly scenic areas. .... 110,000,000
  - (d) State acquisition or development of real property for wildlife management by the Wildlife Conservation Board. .... 15,000,000
  - (e) State recreational facilities at state water facilities and at Lake Elsinore. .... 26,000,000
- State, Urban, and Coastal  
Park Total ..... \$270,000,000

#### State Coastal Conservancy (fund):

- (a) State restoration of degraded coastal lands suitable for recreational use.
- (b) State acquisition of prime coastal agricultural lands to prevent urban intrusion.
- (c) State acquisition of coastal lands for reconveyance to other public agencies for recreational re-

sources preservation purposes.

- (d) State acquisition of easements and development rights on coastal lands to establish buffer areas adjacent to coastal parks and wildlife preserves.
- (e) State acquisition to provide access to the coast.

Conservancy Total ..... \$10,000,000

Total Bond Issue ..... \$280,000,000

No money in the State Coastal Conservancy (fund) may be expended until the Legislature has authorized an agency, which may be either a new or an existing state agency, to administer the conservancy in accordance with determinations of the Legislature. If a conservancy agency is not authorized by January 1, 1980, the funds allocated to the conservancy would be allocated for expenditure for coastal recreational resources for the state park system.

Projects proposed for the state park system or the state water facilities would be studied and recommended by the State Park and Recreation Commission. Projects proposed for local grants would have to be included in a plan proposed by local governments.

#### FISCAL EFFECT:

Assuming an interest rate of six percent and a 20-year repayment period, the interest cost on the \$280 million of general obligation bonds would be approximately \$176 million. The principal and interest cost therefore will total \$456 million.

The state would also incur additional operating costs and would collect entrance fees as new state park and recreational areas are made available for public use. Local agencies would similarly incur additional operational costs and collect additional revenues. Such costs and revenues cannot be determined until specific state and local projects are identified and necessary preliminary planning is completed.

## Text of Proposed Law

This law proposed by Senate Bill 1321 (Statutes of 1976, Chapter 259) is submitted to the people in accordance with the provisions of Article XVI of the Constitution.

(This proposed law does not expressly amend any existing law; therefore, the provisions thereof are printed in *italic type* to indicate that they are new.)

### PROPOSED LAW

**SECTION 1. Chapter 1.68 (commencing with Section 5096.111) added to Division 5 of the Public Resources Code, to read:**

#### CHAPTER 1.68. NEJEDLY-HART STATE, URBAN, AND COASTAL PARK BOND ACT OF 1976

**5096.111.** *This chapter shall be known and may be cited as the Nejedly-Hart State, Urban, and Coastal Park Bond Act of 1976.*

**5096.112.** *The Legislature hereby finds and declares that:*

(a) *It is the responsibility of this state to provide and to encourage the provision of recreational opportunities for the citizens of California.*

(b) *It is the policy of the state to preserve, protect, and, where possible, to restore coastal resources which are of significant recreational or environmental importance for the enjoyment of present and future generations of persons of all income levels, all ages, and all social groups.*

(c) *When there is proper planning and development, parks, beaches, recreation areas and recreational facilities, and historical resources preservation projects contribute not only to a healthy physical and moral environment, but also contribute to the economic betterment of the state, and, therefore, it is in the public interest for the state to acquire, develop, and restore areas for recreation, conservation, and preservation and to aid local governments of the state in acquiring, developing, and restoring such areas as will contribute to the realization of the policy declared in this chapter.*

**5096.113.** *The Legislature further finds and declares that:*

(a) *The demand for parks, beaches, recreation areas and recreational facilities, and historical resources preservation projects in California is far greater than what is presently available, with the number of people who cannot be accommodated at the area of their choice or any comparable area increasing rapidly.*

(b) *The demand for parks, beaches, recreation areas and recreational facilities, and historical resources preservation projects in the urban areas of our state are even greater: over 90 percent of the present population of California reside in urban areas; there continues to be approximately a 30 percent deficiency in open space and recreation areas in the metropolitan areas of the state; less urban land is available, costs are escalating, and competition for land is increasing.*

(c) *There is a high concentration of urban social problems in California's major metropolitan areas which can be partially alleviated by increased recreational opportunities.*

(d) *California's coast provides a great variety of recreational opportunities not found at inland sites; it is heavily used because the*

*state's major urban areas lie, and 85 percent of the state's population lives, within 30 miles of the Pacific Ocean; a shortage of facilities for almost every popular coastal recreational activity exists; and there will be a continuing high demand for popular coastal activities such as fishing, swimming, sightseeing, general beach use, camping, and day use. Funding for the acquisition of a number of key coastal sites is critical at this time, particularly in metropolitan areas where both the demand for and the deficiency of recreational facilities is greatest. Current development pressures in urbanized areas threaten to preclude public acquisition of these key remaining undeveloped coastal parcels unless these sites are acquired in the near future.*

(e) *Increasing and often conflicting pressures on limited coastal land and water areas, escalating costs for coastal land, and growing coastal recreational demand requires, as soon as possible, funding for, and the acquisition of, land and water areas needed to meet demands for coastal recreational opportunities and to implement recommendations for acquisitions of the Coastal Plan prepared and adopted in accordance with the requirements of the California Coastal Zone Conservation Act of 1972.*

(f) *By 1980, the need for local parks, beaches, and recreation areas and recreational facilities will be nearly twice as great as presently required.*

(g) *By 1980, unless the lands and waters that hold recreation potential today are acquired or reserved for recreation as soon as possible, there will be a marked shortage of recreation lands and waters on a local and regional basis.*

(h) *Cities, counties, and districts must exercise constant vigilance to see that the parks, beaches, recreation lands and recreational facilities, and historical resources they now have are not lost to other uses; they should acquire additional lands as such lands become available; they should take steps to improve the facilities they now have.*

(i) *Past and current funding programs have not and cannot meet present deficiencies.*

(j) *There is a pressing need to provide statutory authority and funding for a coordinated state program designed to provide expanded public access to the coast, to preserve prime coastal agricultural lands, and to restore and enhance natural and man-made coastal environments.*

(k) *In view of the foregoing, the Legislature declares that an aggressive, coordinated, funded program for meeting existing and projected recreational demands must be implemented without delay.*

**5096.114.** *Bonds in the total amount of two hundred eighty million dollars (\$280,000,000), or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed hereinafter, and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. Said bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California are hereby pledged for the punctual payment of both principal and interest on said bonds as said principal and interest become due and payable.*

Continued on page 58

### Argument in Favor of Proposition 2

Proposition 2 makes it possible for your local community and the state to acquire lands for new beach, park and recreation areas, to preserve land along the coast and to develop more recreational facilities.

In the last twenty years California's population has doubled. But the use of parks, beaches, and other recreation facilities has multiplied ten times. At peak periods beaches and other heavily used recreation spots turn away one car full of disappointed people for every two they can take care of. Last year that was over one million people.

#### PROPOSITION 2 MEANS PARKS AND BEACHES CLOSER TO HOME:

Of special importance in this time of energy crisis Proposition 2 assures you that more beaches, parks, and other recreation areas will be close to your own home. You and your family will travel only a short distance to enjoy inexpensive, healthful and relaxing outdoor recreation. And Proposition 2 provides recreation money to be spent at the local level without adding a single penny to your property tax burden.

What else does Proposition 2 do? It will help preserve elements of California's history. It will preserve California's wildlife and fish resources. It will provide additional recreation opportunities along the ocean by acquiring more beaches and coastal bluffs and in mountainous and other inland scenic areas.

Vote yes on Proposition 2 because costs are increasing! Desirable park lands are expensive today, but they may be impossible to afford if we wait. Delay could even mean that some lands will be lost to the public forever.

#### YOUR YES VOTE ON PROPOSITION 2 MAKES ALL THIS POSSIBLE:

\$85 million for local governments to acquire and develop local parks, recreation areas, beaches, or

historic units. The money will be allocated by population, but no county will get less than \$200,000.

\$13 million for the State Park System to acquire new parks, beaches, recreation areas and historic places.

\$21 million for development of additional campsites and picnic areas within the State Park System, including development and interpretation of historic resources.

\$15 million for fish and wildlife projects of the State Wildlife Conservation Board.

\$120 million for acquisition of ocean front property.

\$26 million for water project recreation facilities, including boating facilities.

Proposition 2 is non-partisan; it is solidly supported by citizens of all parties. And with good reason. Proposition 2 helps preserve the quality of our environment. It helps insure that our own generation and those to come will enjoy enough public parks, beaches, and recreation areas. It preserves lands that have figured strongly in California's history, for the enjoyment and education of our children's children. There are many statewide organizations and groups supporting this measure representing conservation, education, business, labor, park planning and administration, local government, and historical groups.

#### VOTE YES ON PROPOSITION 2, OUR FINEST INVESTMENT FOR CALIFORNIA'S FUTURE.

**JOHN A. NEJEDLY**

*Member of the Senate, 7th District  
Chairman, Senate Natural Resources and  
Wildlife Committee*

**EDMUND G. PAT BROWN**

*Chairman, California Council for Environmental  
and Economic Balance*

**MELVIN B. LANE**

*Chairman, California Coastal Zone  
Conservation Commission*

### Rebuttal to Argument in Favor of Proposition 2

Government already owns approximately half of the entire State of California. Although much of this land is closed to the public and has never been developed, Proposition 2 would finance the purchase of MORE land. Why doesn't the government develop the land that it already owns?

Let's face facts. Proposition 2 will be financed entirely out of taxpayers' money. Furthermore, it will

cause property taxes to go up. Only a small part of the \$280 million will be used to develop parks and recreation. The rest will be used for another government "Land Grab".

Proposition 2 is a classic example of poor government planning and it deserves your "NO" vote.

**H. L. "BILL" RICHARDSON**

*Member of the Senate, 19th District*

## Argument Against Proposition 2

How would you like to get a bill in the mail for your share of a \$280 million debt? You'd like that? Good! Vote for Proposition 2.

Through the "miracle" of debt financing, Californians now have the unique opportunity to mortgage their children's future to buy "potential" parkland.

One might naturally assume that the government was fresh out of "potential" parkland. Not so. In fact, Big Government now owns approximately 50% of the entire State of California. Instead of developing this government-owned half of the state, Proposition 2 is a step toward buying up the other half.

The first paragraph of Proposition 2 states, "It is the responsibility of this state to provide and to encourage the provision of recreational opportunities for the citizens of California."

This government paternalism is "bread and circuses" politics at its worst. Government will provide the circuses if the taxpayers come up with the bread. Frankly, California needs more government-owned land like it needs an epidemic of swine flu.

So much for the bad news. The good news is that your property taxes are going up. You see, the government won't have to pay taxes on the newly-purchased land, so YOU get to make up the difference in higher taxes, whether you own a home or rent.

There is one more catch. Section 5096.115 of this measure reads:

"There shall be collected each year and in the same manner and at the same time as other state revenue is collected such sum in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on said bonds maturing in said year, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of said revenue to do and perform each and every act which shall be necessary to collect such additional sum." (emphasis added)

Who said debt can't be fun?

H. L. "BILL" RICHARDSON  
*Member of the Senate, 19th District*

## Rebuttal to Argument Against Proposition 2

The argument against Proposition 2 is misleading and deceptive. The simple fact is that California's existing beaches and parks are often overcrowded, as any family who has driven to the coast on a hot day or has waited in line at any state park knows.

A YES vote on Proposition 2 will provide additional public beaches, parks and recreation areas close to where people live and work.

The funds to pay for the new beaches, parks and recreational areas will come from the general tax revenue of the state. These funds will not be paid from property taxes and no one will receive a bill in the mail, contrary to what the opposition says.

Also, while it is true the federal government owns large amounts of forest and desert land, it is far from where most people live. A YES vote on Proposition 2 will provide money to buy additional park lands close to home.

Proposition 2 will provide for the acquisition and development of public beaches, parks, and recreation areas NOW with the costs spread over many years, so

that people who benefit will pay their fair share.

Proposition 2 also will provide for the development of much-needed new recreational facilities, such as picnic areas, hiking trails, campsites and boating facilities.

A YES vote will provide all Californians more room to stretch their legs and breathe good air—in new city, county and state parks.

Don't be misled by emotional rhetoric and erroneous statements. Vote YES on Proposition 2.

JOHN A. NEJEDLY, *Member of the Senate, 7th District*  
*Chairman, Senate Natural Resources*  
*and Wildlife Committee*

EDMUND G. BROWN, *Chairman*  
*California Council for Environmental*  
*and Economic Balance*

MELVIN B. LANE, *Chairman*  
*California Coastal Zone Conservation*  
*Commission*

# Residential Energy Conservation Bond Law

## Ballot Title

### FOR THE RESIDENTIAL ENERGY CONSERVATION BOND LAW.

This Act provides for a bond issue of twenty five million dollars (\$25,000,000) to provide funds for financing residential energy insulation and residential solar heating and cooling systems.

### AGAINST THE RESIDENTIAL ENERGY CONSERVATION BOND LAW.

This Act provides for a bond issue of twenty five million dollars (\$25,000,000) to provide funds for financing residential energy insulation and residential solar heating and cooling systems.

## FINAL VOTE CAST BY LEGISLATURE ON SB 1524 (PROPOSITION 3)

Assembly—Ayes, 56  
Noes, 18

Senate—Ayes, 27  
Noes, 2

## Analysis by Legislative Analyst

### PROPOSAL:

This proposition would authorize the state to sell \$25 million in general obligation bonds to finance installations of energy insulation or solar heating or cooling systems in residential structures. The loans could have interest rates lower than those generally available from banks or other lenders. No loans could be made for buildings having more than four dwelling units. Swimming pool heaters could be financed only as part of a complete heating or cooling system for a dwelling. The State Energy Resources Conservation and Development Commission would determine the loan guidelines. The California Housing Finance Agency would administer the loan program and could contract with private lending institutions to make the loans.

### FISCAL EFFECT:

Persons who receive these loans would be required to make repayments sufficient to pay the principal and interest on the state's bonds. We estimate the total bond obligation of the state would be the sum of \$25 million for principal and \$15.75 million for interest, or \$40.75 million. This estimate assumes a six percent interest rate and a 20-year term for the bonds. Presumably the loan repayments would be high enough to cover the administrative costs of the loan program and costs incurred by the Energy Commission as well. Therefore there should be no state cost for the loans or bonds. However, if for any reason the repayments from the persons participating in the loan program do not cover the cost of the bonds, and related administrative costs, the state's taxpayers would be required to pay these costs.

## Text of Proposed Law

This law proposed by Senate Bill 1524 (Statutes of 1976, Chapter 264) is submitted to the people in accordance with the provisions of Article XVI of the Constitution.

(This proposed law does not expressly amend any existing law; therefore, the provisions thereof are printed in *italic type* to indicate that they are new.)

### PROPOSED ARTICLE 2, CHAPTER 5.2, DIVISION 15, PUBLIC RESOURCES CODE

#### Article 2. Bonds

25420. This article shall be known and may be cited as the Residential Energy Conservation Bond Law.

25421. Bonds in the total amount of twenty-five million dollars (\$25,000,000), or so much thereof as is necessary, may be issued and sold to provide a fund to be used by the State Energy Resources Conservation and Development Commission to provide loans to finance installations in residential structures of energy insulation and solar heating or cooling systems, as authorized by this chapter. The bonds shall be known and designated as Residential Energy Conservation Bonds. The proceeds of bonds issued pursuant to this article shall be deposited in the Residential Energy Conservation Loan Fund and may be expended only for the purposes specified in this chapter. When sold, such bonds shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California are hereby pledged for the punctual payment of both principal and interest on such bonds as such principal and interest become due and payable.

25422. The bonds authorized by this article shall be prepared, executed, issued, sold, paid and redeemed as provided in the State General Obligation Bond Law, Chapter 4 (commencing with Section 16720) of Part 3, Division 4, Title 2 of the Government Code, and all of the provisions of that law are applicable to the bonds and to this article, and are hereby incorporated in this article as though set forth in full herein.

25423. As used in this article and for purposes of the State General Obligation Bond Law, Chapter 4 (commencing with Section 16720) of Part 3, Division 4, Title 2 of the Government Code, the following terms shall have the following meanings:

(a) "Bond" means a state general obligation bond issued pursuant to this article.

(b) "Board" or "committee" means the State Energy Resources Conservation and Development Commission, which shall have the powers and duties of the board and committee prescribed by the State General Obligation Bond Law.

(c) "Fund" means the Residential Energy Conservation Loan Fund.

25424. There is hereby appropriated from the General Fund in the State Treasury for the purposes of this article, such sum annually as will be necessary to pay the principal and interest on bonds issued and sold pursuant to the provisions of this article as such principal and interest become due and payable.

25425. There shall be collected each year and in the same manner and at the same time as other state revenue is collected such sum in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on bonds maturing in that year, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of such revenue to do and perform each and every act which shall be necessary to collect such additional sum.

25426. On the several dates on which funds are remitted pursuant to Section 16676 of the Government Code for the payment of the then maturing principal and interest on the bonds in each fiscal year, there shall be returned into the General Fund in the State Treasury moneys from the Residential Energy Conservation Loan Fund in an amount which is sufficient for the payment of principal and interest on the bonds then due and payable. In the event moneys transferred from the Residential Energy Conservation Loan Fund to the General Fund on such remittance dates are less than the principal and interest then due and payable with respect to the bonds, then the balance remaining unpaid, together with interest thereon at the rate borne by such bonds compounded semiannually from the date of maturity, shall be returned into the General Fund out of the Residential Energy Conservation Loan Fund as soon thereafter as it shall become available.

SEC. 1.5. Section 1 of this act shall become operative on January 1, 1977, if the people adopt the Residential Energy Conservation Bond Law, as set forth in Section 1 of this act. This section and Sections 2 to 8, inclusive, of this act contain provisions relating to and necessary for the submission of the Residential Energy Conservation Bond Law to the people, and for returning, canvassing, and proclaiming the votes thereon, and shall take effect immediately.



## Argument in Favor of Proposition 3

Your yes vote on this bond measure will provide for a State program of low interest loans to individuals who want to install insulation and/or solar heating and cooling devices in their homes. The measure authorizes the issuance of \$25 million in general obligation bonds at no cost to the taxpayers. The money received from the sale of bonds will then be loaned to qualified applicants. The interest rate on the loans will, upon the passage of this Proposition and Proposition 12, be lower than prevailing market rates and any administrative costs will be paid out of the interest received from the loan holders. The fund created by the sale of these bonds will be self-sustaining and, as loans are repaid, new loans can be granted.

This measure will aid in the reduction of our State's consumption of natural gas and oil by promoting the use of two effective methods of energy conservation. Solar technology is here and available for water heating and space heating and cooling. A number of buildings and homes in California have already been fitted with solar devices. Most solar systems are compatible with existing homes and merely require additional insulation and water storage space. A solar system can generate 80 to 85% of the heat needed for a home and will pay for itself in lower utility bills. In addition, home insulation alone saves approximately 15 to 25% of the energy used for heating.

California is already experiencing a shortage of natural gas, and many industrial firms are receiving less than half the natural gas they need. As early as 1985, many Californians may be unable to purchase all the natural gas they need for their homes. Using solar energy and insulating our homes will increase the amount of natural gas we will have for future years.

This loan program is needed to help individuals meet the higher first cost of solar energy systems and to assist in bringing more energy efficient structures into the marketplace. At present, the State assists with the development of energy resources by allowing utilities to increase rates to finance the needed investments for new power plants; or by guaranteeing utility investors an adequate return on investments and reducing investment risks. This measure would provide corresponding assistance to people who want to conserve energy or use solar energy systems.

This program will be administered by the California Housing Finance Agency, which is presently empowered to make loans for low and moderate income housing. The solar expertise will be provided by the California Energy Resources Conservation and Development Commission. In order to protect the consumer, the Commission is establishing standards so that only qualified solar systems will be approved for purchase and installation.

This proposition is a companion to Proposition 12. A "yes" vote on both Proposition 3 and Proposition 12 will mean Californians have taken the lead in promoting efficient energy usage.

Vote "yes" on Proposition 3.

**JERRY SMITH**

*Member of the Senate, 12th District*

**VICTOR CALVO**

*Member of the Assembly, 21st District*

**RICHARD MAULLIN, Chairman**

*Energy Resources, Conservation and Development Commission*

## Rebuttal to Argument in Favor of Proposition 3

Proponents of Proposition 3 claim that it will be financed "at no cost to the taxpayer". That's simply not true.

General obligation bonds are required by law to be repaid out of taxpayers' money, even if it means a tax increase. The Residential Energy Conservation Loan Fund created by this proposition is merely a co-signer for the loan.

Furthermore, Proposition 3 provides a tax loophole for those who can afford the bonds, since the income from general obligation bonds is tax-free.

For what worthy purpose does Proposition 3 authorize debt spending, higher taxes and tax loopholes? To provide subsidized air conditioners for a privileged few.

If you're tired of increasing government intervention, wasteful spending schemes and tax loopholes, vote "NO" on Proposition 3.

**H. L. "BILL" RICHARDSON**

*Member of the Senate, 19th District*

## Argument Against Proposition 3

Have you ever asked yourself, "What will they think of next?"

Well, here it is. Proposition 3 is "what they thought of next"—a 25 million dollar bond issue to install air conditioners in private homes. Of course, all \$25 million won't be used for air conditioners. Part of it will be used to install insulation and heating units.

How does one qualify for this nifty giveaway? Simple. First of all, the loans may only go to residential buildings so you must either own a home or apartment building. Secondly, since the California Housing Finance Agency has the sole discretionary power to hand out the loans, you should probably get to know one of the Agency bureaucrats. Last but not least, you must use solar energy to power your air conditioner.

Proposition 3 is a truly remarkable piece of legislation. Its proponents argue that solar energy is too expensive and should therefore be subsidized. Of course, if it is too expensive for the rich now, it is still going to be too expensive for the poor and middle class after subsidization.

The provision that only residential properties qualify for government-subsidized air conditioning further excludes renters. You can't say the government isn't fair. Now we will have a welfare program to buy air conditioners for rich people. That's quite a breakthrough. And you thought government was all hot air.

**H. L. "BILL" RICHARDSON**  
*Member of the Senate, 19th District*

## Rebuttal to Argument Against Proposition 3

It is not a question of what will be "thought of next", rather, Proposition 3 encourages the use of an existing, present solar and energy conserving technology, **available now**, to help individual citizens save important utility bill dollars. This is accomplished through a self-supporting loan program, at no cost to taxpayer, to speed the installation of insulation and solar heating devices.

The opposition neglects to mention the benefits of energy insulation. The cost of attic insulation is approximately \$250.00 for a 1200 square foot home. At current natural gas prices, this investment will pay for itself within five years. This is a saving, not a subsidization.

This loan program may be conducted by either private financial institutions or the Housing Finance Agency. In either case there will be no burden of cost to the taxpayer . . . only real dollar savings to those who participate.

The opponents argue that only homeowners benefit from the program. Wrong again! Any residence up to 4

unit apartment buildings can qualify. Renters will be able to select solar heated apartments offering lower utility bills.

Proposition 3 also provides a stimulus to a new industry by bringing this technology to a broader market. No, this is not welfare; this is legislation which is good for both business and consumer.

Who do the opponents think they're kidding. Neither misrepresentation nor hot air can distort Proposition 3. This is energy conservation legislation which produces savings, not additional costs, for the taxpayer.

**JERRY SMITH**  
*Member of the Senate, 12th District*

**VICTOR CALVO**  
*Member of the Assembly, 21st District*

**RICHARD MAULLIN**  
*Chairman, Energy Resources  
Conservation and  
Development Commission*

# University of California. Competitive Bidding. Grounds for Denial of Admission

## Ballot Title

**UNIVERSITY OF CALIFORNIA. COMPETITIVE BIDDING. GROUNDS FOR DENIAL OF ADMISSION. LEGISLATIVE CONSTITUTIONAL AMENDMENT.** Amends subsections (a) and (f) of section 9 of Article IX: to authorize the Legislature to require the University to follow competitive bidding principles in making contracts for construction, sale of real property and purchase of materials, goods and services; and to prohibit denial of admission to the University on grounds of race, religion or ethnic heritage as well as sex. Financial impact: None in the absence of exercise of authority conferred on Legislature.

## FINAL VOTE CAST BY LEGISLATURE ON SCA 14 (PROPOSITION 4)

Assembly—Ayes, 74  
Noes, 0

Senate—Ayes 30  
Noes, 3

## Analysis by Legislative Analyst

### PROPOSAL:

This proposition changes two provisions of the Constitution which relate to the University of California. The first would increase the scope of legislative control over the University of California by providing that competitive bidding procedures may be made applicable to the University. The second would specifically provide that the University of California may not exclude anyone from admission on the basis of race, religion, or ethnic heritage.

### Competitive Bidding Procedures

The Constitution currently assigns to the Board of Regents the responsibility for administering the operations of the University of California and generally limits legislative control over the University to actions necessary to insure (1) the security of University funds and (2) compliance with the terms of University endowments.

This proposition would permit the Legislature to specify the competitive bidding procedures used by the University of California for awarding construction contracts; selling real property; and purchasing

materials, goods, and services. The proposition would not change the current bidding procedures, which closely resemble those required of other state agencies, but would make it possible for the Legislature to change these procedures in the future.

### Discrimination

The Constitution expressly prohibits the University of California from excluding anyone from admission on the basis of sex. This proposition would add race, religion and ethnic heritage as unacceptable grounds for denying admission to any department of the University.

### FISCAL EFFECT:

#### Competitive Bidding Procedures

If the Legislature were to establish competitive bidding procedures significantly different from those currently used, the net fiscal effect would depend on whether the changes resulted in lower or higher costs for items purchased.

#### Discrimination

No fiscal impact.

**Polls are open from 7 A.M. to 8 P.M.**

## Text of Proposed Law

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This amendment proposed by Senate Constitutional Amendment 14 (Statutes of 1976, Resolution Chapter 35) expressly amends an existing section of the Constitution; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions proposed to be inserted are printed in *italic type* to indicate that they are new.

### PROPOSED AMENDMENTS TO ARTICLE IX

First—That subdivision (a) of Section 9 of Article IX is amended to read:

~~SEC. SEC.~~ 9. (a) The University of California shall constitute a public trust, to be administered by the existing corporation known as "The Regents of the University of California," with full powers of organization and government, subject only to such legislative control as may be necessary to insure *the security of its funds and compliance with the terms of the endowments of the university and the security of its funds such competitive bidding procedures as may be made applicable to the university by statute for the letting of construction contracts, sales of real property, and purchasing of materials, goods, and services.* Said corporation shall be in form a board composed of seven officio members, ~~to wit~~ *which shall be:* the Governor, the Lieutenant Governor, the Speaker of the Assembly, the Superintendent of Public Instruction, the president and the vice president of the alumni association of the university and the acting president of the university, and 18 appointive members appointed

by the Governor and approved by the Senate, a majority of the membership concurring; provided, however that the present appointive members shall hold office until the expiration of their present terms.

Second—That subdivision (f) of Section 9 of Article IX is amended to read:

(f) The ~~regents~~ *Regents* of the University of California shall be vested with the legal title and the management and disposition of the property of the university and of property held for its benefit and shall have the power to take and hold, either by purchase or by donation, or gift, testamentary or otherwise, or in any other manner, without restriction, all real and personal property for the benefit of the university or incidentally to its conduct; *provided, however, that sales of university real property shall be subject to such competitive bidding procedures as may be provided by statute.* Said corporation shall also have all the powers necessary or convenient for the effective administration of its trust, including the power to sue and to be sued, to use a seal, and to delegate to its committees or to the faculty of the university, or to others, such authority or functions as it may deem wise. The Regents shall receive all funds derived from the sale of lands pursuant to the act of Congress of July 2, 1862, and any subsequent acts amendatory thereof. The university shall be entirely independent of all political or sectarian influence and kept free therefrom in the appointment of its regents and in the administration of its affairs, and no person shall be debarred admission to any department of the university on account of *race, religion, ethnic heritage, or sex.*

Apply for Your Absentee Ballot Early

# University of California. Competitive Bidding. Grounds for Denial of Admission

## Argument in Favor of Proposition 4

The present California Constitution provides the University of California with relative autonomy from the Legislature.

And while we can understand the University's desire for such autonomy from the people's elected representatives on academic matters, we find such insulation on certain matters relating to the expenditure of public moneys indefensible.

The University each year receives more than 500 MILLION DOLLARS directly from the State's General Fund.

And yet, present constitutional provisions allow the University to spend those public dollars—to buy and sell real property, to enter into construction contracts, to purchase materials and services, to use in-house employees—without utilizing the competitive bidding requirements established by the Legislature for all other state agencies.

Proposition 4 would correct this situation by authorizing the Legislature to adopt such competitive bidding requirements if the need arises.

Proposition 4 would give the Legislature authority to back up its monitoring of University policies on purchasing and contracting.

And the knowledge that the Legislature has the authority to step in and adopt statutory competitive bidding procedures should serve to insure that the Regents act responsibly.

Statutory competitive bidding procedures insure not only that jobs go to persons in the private sector, but also that work is performed at the lowest possible cost.

And the University has often cited its policies on competitive bidding as being more than adequate to meet these goals.

But, whereas University policies are not subject to approval by the Legislature, they are subject to change or modification at any time by the appointed Board of Regents.

And it is important to note that University policies did NOT stop the University's 1967 purchase of 130 acres of prime coastal land in the La Jolla area for \$3.7 million with the subsequent resale of one \$110,000 parcel WITHOUT PUBLIC NOTICE OR BID to the then campus provost.

Nor have such policies prevented abuses in the performance of painting projects at UC Santa Barbara, abuses which mean LOST JOBS to private enterprise.

At a time when unemployment in the construction industry is all too high, the University should be subject to the same competitive bidding requirements as other taxpayer supported agencies so that jobs are not lost to in-house government employees.

Proposition 4 was placed on the ballot by a legislative proposal endorsed and actively supported by the State Building and Construction Trades Council, the Construction Industry Legislative Council, the Painting and Decorating Contractors Association, the California Conference of Mason Contractor Associations, the Sheet Metal and Air Conditioning Contractors Association, and the International Brotherhood of Electrical Workers Local 340.

It was approved by a bipartisan 30-3 vote in the State Senate and a 74-0 vote in the State Assembly.

We urge an "aye" vote on Proposition 4.

JOHN STULL

*Member of the Senate, 38th District*

LEO T. MCCARTHY

*Speaker of the Assembly, 18th District*

JAMES S. LEE

*President, State Building and Construction Trades Council of California*

## Rebuttal to Argument in Favor of Proposition 4

Do not be misled by Proposition 4! It is bad public policy and would be costly to taxpayers. It would give politicians control over University construction, purchasing and real estate sales. This would cut off UC's development and use of efficient cost-saving contracting and purchasing techniques.

Much GREATER COSTS to the public will result from rigidly requiring contracting-out, at high construction wages, building and maintenance work now performed at lower costs by University employees.

Proposition 4 would add to the burden of EXCESSIVE GOVERNMENTAL REGULATIONS, diverting University resources away from teaching, research and public service.

UC has been built in the tradition of freedom from political interference and it is widely recognized that this freedom is essential to sustain a great university.

Even Senator Stull, Proposition 4's author, said in the 1974 Voters' Pamphlet:

"The structure and independence of the University are

too valuable to be changed unnecessarily."

Proposition 4 is UNNECESSARY. The University now uses competitive bidding as regular practice with flexibility for negotiated purchases in special circumstances to obtain lowest prices and unique products.

The anti-discrimination wording is an obvious gimmick. All such discrimination already is absolutely prohibited by law and University policy.

Proposition 4 is opposed by a broad spectrum of Californians, including former Governor Edmund "Pat" Brown, civic leader Dorothy Chandler, educator Clark Kerr, community leader James Archer, business executive Walter Haas and university president Richard Lyman.

Keep politics out of UC. Vote NO on Proposition 4.

DAVID S. SAXON, *President*  
*University of California*

WILLIAM K. COBLENTZ, *Chairman*  
*Board of Regents, University of California*

# University of California. Competitive Bidding. Grounds for Denial of Admission

4

## Argument Against Proposition 4

Proposition 4 proposes two amendments to the California Constitution.

It would compel the University to use competitive bidding as directed by the Legislature and it would specify that admission to the University may not be denied on the basis of race, ethnic heritage or religion.

These proposed amendments are **unnecessary**. They also are **unwise** and **undesirable** because they would undermine the independence of the University and would result in greater costs.

The Regents presently require competitive bidding on virtually all construction contracts and purchases in excess of \$2,500 except where supplies are available only from one manufacturer. Also, the University uses competitive bidding for the sales of real property except in those situations where a higher price can be obtained through negotiated sales. Thus, this measure is **unnecessary**. It is **undesirable** as well because the University could be forced to abandon cost-saving construction techniques which it has developed. This will result in greater costs to the people of the State.

Proposition 4 is **unwise**. It will abrogate the historical relationship between the Legislature and The Regents regarding the governance of the University. For nearly one hundred years the people of California have entrusted the University's Board of Regents with full powers of organization and government, subject only to very limited legislative control over the University. This constitutional independence from political interference has permitted the University of

California to develop as a recognized preeminent public institution of higher education. The University must be kept out of the political arena.

The second part of Proposition 4 purporting to prohibit discrimination on the basis of race, ethnic heritage or religion is completely **unnecessary**. Any such discrimination is now prohibited by federal constitutional provisions, as interpreted by the United States Supreme Court, by federal statutes and by University policy. Adding surplus wordage to the State Constitution is contrary to the efforts of the California Constitutional Revision Commission which is seeking to shorten the Constitution wherever possible.

There is no need for Proposition 4. It will not change the existing law on student admissions—discrimination on the basis of race, ethnic heritage, or religion already is prohibited both by law and University policy. The University now uses competitive bidding in all appropriate cases. All that Proposition 4 will do is to drive up costs by forcing the University to abandon cost-saving techniques which it has developed and which are consistent with basic principles of competitive bidding.

We urge you to vote NO on Proposition 4.

DAVID S. SAXON, *President*  
*University of California*

WILLIAM K. COBLENTZ, *Chairman*  
*Board of Regents*  
*University of California*

## Rebuttal to Argument Against Proposition 4

Keeping the University out of the political arena is the standard smokescreen thrown up by University spokesmen whenever it is suggested that the constitutional barriers which protect their fiefdoms be reconstructed.

But it is a **false issue** here.

Proposition 4 deals with construction contracts and transfers of property, **NOT** with academic issues.

**AND THERE IS NO REASON FOR THE UNIVERSITY ALONE OF ALL PUBLIC AGENCIES TO BE EXEMPT FROM STATUTORY COMPETITIVE BIDDING PROCEDURES AND PUBLIC ACCOUNTABILITY WHEN IT COMES TO SPENDING TAXPAYER DOLLARS.**

1. Evidence indicates that the University is **not** abiding by the intent of the \$2500 limit on non-competitive bidding construction contracts—and in the past two years in-house crews have done jobs valued in excess of \$50,000!
2. The opponents say the University now uses competitive bidding for sales of real property "except in those situations where a higher price can be obtained through negotiated sales." But in 1972, the University sold a

building and land in La Jolla Farms appraised at \$110,000 to a then University Provost for \$103,400—**ALL WITHOUT PUBLIC NOTICE OR PUBLIC BID**. Was that such a "higher price"?

3. The opponents' statement that competitive bidding would "drive up" costs is grossly inaccurate, since competitive bidding by definition insures **lower** costs when purchasing and higher prices when selling.
4. Why should the University oppose **specific prohibitions** against discrimination on the basis of race, religion or ethnic heritage?

Competitive bidding means **jobs** for private industry. We urge an "AYE" vote on Proposition 4.

JOHN STULL  
*Member of the Senate, 38th District*

LEO T. MCCARTHY  
*Speaker of the Assembly, 18th District*

JAMES S. LEE  
*President, State Building and Construction*  
*Trades Council of California*

## Ballot Title

**INTEREST RATES ALLOWABLE. LEGISLATIVE CONSTITUTIONAL AMENDMENT.** Except as to specified exempt lenders, such as banks, credit unions and savings and loan associations, the Constitution permits interest charges of no more than 10% per annum. This amendment would retain the 10% limit on loans made primarily for personal, family or household purposes but would, as to other loans by nonexempt lenders, increase the maximum permissible rate of interest to the higher of (a) 10% or (b) 7% plus the prevailing rate currently charged by the Federal Reserve Bank of San Francisco for monies advanced to member banks. Financial impact: No fiscal effect on state or local government.

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**FINAL VOTE CAST BY LEGISLATURE ON SCA 40 (PROPOSITION 5)**

Assembly—Ayes, 55  
Noes, 11

Senate—Ayes, 28  
Noes, 5

## Analysis by Legislative Analyst

**PROPOSAL:**

Every lender of money, unless specifically exempted by the Constitution, is prohibited from charging interest of more than 10 percent per year on any loan. Savings and loan associations, state and national banks, industrial loan companies, credit unions, pawnbrokers, personal property brokers and agricultural cooperatives are specifically exempted from the above provision.

This proposition provides that the 10 percent per year interest limitation on nonexempt lenders, such as individuals, insurance companies and mortgage banks,

only applies to loans for personal, family, or household purposes. On other loans these nonexempt lenders would be permitted to charge an interest rate that is the higher of (1) 10 percent per year or (2) seven percent plus the prevailing rate charged to member banks for monies advanced by the Federal Reserve Bank of San Francisco. In June 1976, the Federal Reserve rate was 5½ percent, which added to the seven percent, would total 12½ percent.

**FISCAL EFFECT:**

The proposition has no fiscal effect on state or local governments.

## Text of Proposed Law

This amendment proposed by Senate Constitutional Amendment 40 (Statutes of 1976, Resolution Chapter 53) expressly amends an existing section of the Constitution; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions to be inserted or added are printed in *italic type* to indicate that they are new.

### PROPOSED AMENDMENT TO ARTICLE XV

SECTION 1. The rate of interest upon the loan or forbearance of any money, goods or things in action, or on accounts after demand or judgment rendered in any court of the State, shall be 7 per cent per annum but it shall be competent for the parties to any loan or forbearance of any money, goods or things in action to contract in writing for a rate of interest :

(1) *For any loan or forbearance of any money, goods or things in action, if the money, goods or things in action are for use primarily for personal, family or household purposes, at a rate not exceeding 10 percent per annum, or*

(2) *For any loan or forbearance of any money, goods or things in action for any use other than specified in paragraph (1), at a rate not exceeding the higher of (a) 0 percent per annum or (b) 7 percent per annum plus the rate prevailing on the 25th day of the month preceding the earlier of (i) the date of execution of the contract to make the loan or forbearance, or (ii) the date of making the loan or forbearance established by the Federal Reserve Bank of San Francisco on advances to member banks under Sections 13 and 13a of the Federal Reserve Act as now in effect or hereafter from time to time amended (or if there is no such single determinable rate for advances, the closest counterpart of such rate as shall be designated by the Superintendent of Banks of the State of California unless some other person or agency is delegated such authority by the Legislature) not exceeding 10 per cent per annum.*

No person, association, copartnership or corporation shall by charging any fee, bonus, commission, discount or other compensation receive from a borrower more than ~~10 per cent~~ *the amount of interest per annum allowed by this section* upon any loan or forbearance of any money, goods or things in action.

However, none of the above restrictions shall apply to any building and loan association as defined in and

which is operated under that certain act known as the "Building and Loan Association Act," approved May 5, 1931, as amended, or to any corporation incorporated in the manner prescribed in and operating under that certain act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, as amended, or any corporation incorporated in the manner prescribed in and operating under that certain act entitled "An act defining credit unions, providing for their incorporation, powers, management and supervision," approved March 31, 1927, as amended or any duly licensed pawnbroker or personal property broker, or any bank as defined in and operating under that certain act known as the "Bank Act," approved March 1, 1909, as amended, or any bank created and operating under and pursuant to any laws of this State or of the United States of America or any nonprofit cooperative association organized under Chapter 1 (commencing with Section 54001) of Division 20 of the Food and Agricultural Code in loaning or advancing money in connection with any activity mentioned in said title or any corporation, association, syndicate, joint stock company, or partnership engaged exclusively in the business of marketing agricultural, horticultural, viticultural, dairy, live stock, poultry and bee products on a cooperative nonprofit basis in loaning or advancing money to the members thereof or in connection with any such business or any corporation securing money or credit from any Federal intermediate credit bank, organized and existing pursuant to the provisions of an act of Congress entitled "Agricultural Credits Act of 1923," as amended in loaning or advancing credit so secured, nor shall any such charge of any said exempted classes of persons be considered in any action or for any purpose as increasing or affecting or as connected with the rate of interest hereinbefore fixed. The Legislature may from time to time prescribe the maximum rate per annum of, or provide for the supervision, or the filing of a schedule of, or in any manner fix, regulate or limit, the fees, bonus, commissions, discounts or other compensation which all or any of the said exempted classes of persons may charge or receive from a borrower in connection with any loan or forbearance of any money, goods or things in action.

The provisions of this section shall supersede all provisions of this Constitution and laws enacted thereunder in conflict therewith.



## Argument in Favor of Proposition 5

Proposition 5 is vitally needed to help ensure a healthy state economy, able to meet the needs of California's citizens.

Proposition 5 will better enable businesses in our state to borrow funds for normal growth and expansion by reforming the present outdated and unrealistic 42 year old limitation on business loan interest rates.

While Proposition 5 reforms the rate of interest on business loans, it is carefully written so that it cannot affect existing interest rate laws now protecting consumers. That is why Proposition 5 was not opposed by any consumer groups when the Legislature held public hearings on the measure.

This Constitutional Amendment is supported by labor organizations, chambers of commerce, civic and community organizations, ethnic minorities and consumer-minded citizens . . . all of whom want a healthy growing economy in California.

Proposition 5 will place a more realistic limitation on the interest rate that can be charged on funds borrowed by business firms in California. The present limitation, which is the lowest in the nation, has had the unintended and undesirable effect of handcuffing business' ability to finance expansion and generate new jobs.

At present, under the outdated provision in the State Constitution, the highest interest rate that can be charged on money borrowed by business firms in California is 10 percent. Unfortunately, during periods of high inflation, certain lenders can receive a better return for their money by investing it in businesses in other states, where rate limitations have been reformed

and updated. The consequence is that California investment funds flow to other states, thereby depriving California business of the funds needed to create jobs and build new plants and equipment.

According to recent studies, the existing interest rate limitation on business loans has cost California hundreds of millions of dollars over the past two years. Or, viewed another way, it has cost California some 20,000 new jobs.

The new business loan interest rate proposed by this Proposition will be limited to the existing legal ceiling of 10 percent, except that in very inflationary periods the limit will be 7 percent, plus the prevailing interest rate charged banks that now borrow money from the Federal Reserve Bank of San Francisco.

In other words, a YES vote on Proposition 5 will establish a flexible, realistic interest rate limitation on business loans.

It will not, directly or indirectly, raise the rate of interest allowed on consumer loans.

A YES vote makes good economic sense—and good common sense.

**LEO T. McCARTHY**

*Speaker of the Assembly, 18th District*

**HOUSTON I. FLOURNOY**

*Dean, Center for Public Affairs, University of Southern California*

**JAMES S. LEE**

*President, State Building and Construction Trades Council of California*

## Rebuttal to Argument in Favor of Proposition 5

In 1934 the California Constitution was changed giving Californians greater protection against usury. The same tight economy that prompted these safeguards then exists today. These safeguards are for your protection and should NOT be removed.

First, Proposition 5 will hurt the consumer loan market. Not only will this measure virtually dry up the consumer loan market by funneling available money to big business, it can also increase the cost of some consumer loans by boosting interest rates above the current 10% maximum. Under this measure, loans used partially, but not primarily, for household, personal or family needs could carry interest rates of 15 or 16 percent!

Second, Proposition 5 was sponsored initially by utility companies. They wanted more money available to them and were willing to pay higher interest rates to get it. If it costs public utilities and other businesses more money to borrow money they will pass their increased costs on to you. Expect higher utility bills and prices if Proposition 5 passes.

Finally, jobs are created and sustained by public demand for goods and services. If products and services become so expensive we cannot afford them, the demand for goods and services decreases. If fewer goods and services are bought, fewer people are required to produce and maintain them. This will eliminate thousands of jobs.

In 1974 and again in June, 1976 California voters rejected measures similar to Proposition 5. We again ask that you protect yourself, your pocketbook and your job. Vote NO on Proposition 5.

**BOB WILSON**

*Member of the Assembly, 77th District  
Chairman, Committee on Governmental Organization*

**JOHN J. MILLER**

*Member of the Assembly, 13th District  
Chairman, Committee on Judiciary*

**OMER L. RAINS**

*Member of the Senate, 18th District  
Chairman, Committee on Elections and Reapportionment*

### Argument Against Proposition 5

In the June, 1976 Primary Election, more than 56 percent of California voters rejected an effort to increase interest rates by changing a portion of the California Constitution that has protected the voters for more than 40 years. The voters in June clearly said NO to Proposition 12 which is identical to this proposition. We again ask that you vote NO.

Proposition 5 would boost interest rates on certain loans above the current 10 percent maximum. The maximum under this measure would be flexible depending on prevailing interest rates. If this measure had been law in August, 1974 the interest rate would have been 15 percent!

We are in a time of tight money. If higher interest rates can be charged on loans to businesses and corporations than can be charged to consumers, more money will be loaned to corporations. This will siphon money from the consumer loan market virtually drying it up. Proposition 5 would have a disastrous effect on the consumer loan market.

Also, contrary to what supporters of this proposition would have you believe, consumer loans could be

affected by these higher interest rates. Only loans used "primarily" for household, family or personal needs would be exempt. If you borrow money and 49 percent of it is used for household needs, but 51 percent is for some other purpose, you could be hit with interest rates as high as 15 or 16 percent.

Proposition 5 clearly means higher costs, tighter money and a weakening of California's usury laws. Twice before California voters have rejected a similar proposal. California voters should again say NO to higher interest rates. Vote NO on Proposition 5.

#### BOB WILSON

*Member of the Assembly, 77th District  
Chairman, Committee on Governmental Organization*

#### JOHN J. MILLER

*Member of the Assembly, 13th District  
Chairman, Committee on Judiciary*

#### OMER L. RAINS

*Member of the Senate, 18th District  
Chairman, Committee on Elections and Reapportionment*

### Rebuttal to Argument Against Proposition 5

Despite misleading arguments to the contrary, Proposition 5 was written to accomplish one vitally necessary purpose: To enable California businesses, small and large, to borrow money for plant and equipment expansion from out-of-state banks, insurance companies, mortgage companies, and pension trusts at competitive, nationally-set interest rates during periods of high inflation.

Opponents say Proposition 5 would mean higher costs and higher interest rates for consumers and would dry up the consumer loan market. This is untrue. Proposition 5 does not raise or lower interest rates now charged by California banks, savings and loans, retailers, and consumer loan companies.

Proposition 5 applies only to interest rates charged on business loans. The measure clearly states, "for non-personal . . . non-family and non-household purposes." Proposition 5 will have no effect on interest rates now paid by consumers and home owners. It will not mean higher consumer interest rates.

Proposition 5 is needed because the existing,

outdated ceiling on business loan interest rates has cost California hundreds of millions of dollars and 20,000 new jobs over the past two years. In fact, Proposition 5 will mean needed business projects are not canceled or built later at a higher cost to consumers.

Proposition 5 simply places California on a more equal, competitive footing with neighboring states.

Passage of Proposition 5 will help stimulate a healthy economy and keep California investment funds at home.

We urge you to vote YES on Proposition 5.

#### LEO T. McCARTHY

*Speaker of the Assembly, 18th District*

#### HOUSTON I. FLOURNOY

*Dean, Center for Public Affairs  
University of Southern California*

#### JAMES S. LEE

*President, California Building and Construction  
Trades Council*

## Ballot Title

**BILLS AND STATUTES—EFFECTIVE DATE. GOVERNOR'S CONSIDERATION. REFERENDUM. LEGISLATIVE CONSTITUTIONAL AMENDMENT.** Extends from 12 to 30 days the time for Governor's veto of bills submitted to him after adjournment of Legislature for interim study recess at end of first year of legislative session. Provides that bills passed during a regular legislative session which become law by reason of Governor's failure to act within above-mentioned period shall go into effect on January 1 following their enactment unless referendum is proposed, in which event they become effective 90 days after enactment if referendum does not qualify for ballot within such 90-day period. Financial impact: Undeterminable.

## FINAL VOTE CAST BY LEGISLATURE ON ACA 75 (PROPOSITION 6)

Assembly—Ayes, 56	Senate—Ayes, 39
Noes, 2	Noes, 0

## Analysis by Legislative Analyst

### PROPOSAL:

The Constitution provides that bills passed by the Legislature during the first calendar year of the two-year legislative session and not vetoed by the Governor within 12 days become statutes. It also provides that statutes (other than those calling elections, providing tax levies or appropriations for usual current state expenses, or "urgency" statutes) enacted during the regular legislative session shall go into effect on the next January 1 which occurs at least 90 days after their enactment.

In addition, the Constitution establishes a "referendum" process under which a statute may be referred to the voters for their approval or rejection. It allows the proponents of a referendum 90 days to submit to the Secretary of State a petition which asks that the statute be submitted to the voters. Two steps in carrying out a referendum are (1) obtaining from the Attorney General a title (brief statement of what the referendum is about) and (2) obtaining voter signatures equal to five percent of the number of votes cast for all candidates for Governor at the last gubernatorial election.

This proposal would extend the 12-day Governor's veto period to 30 days for bills which are passed by the Legislature during the first calendar year of the session and presented to the Governor after the Legislature has adjourned for the "interim study recess" (the period between the two halves of the two-year legislative session). The proposal provides that such bills shall take effect on the next January 1 following enactment without regard to the 90-day waiting period, unless the proponents of a referendum (described above) take

the first step in the process, that is, request a title for the measure from the Attorney General. In those cases, the statute would go into effect 90 days after enactment unless the proponents of the referendum qualify it for submission to the voters. If a title is requested from the Attorney General prior to January 1, the proponents of the referendum would have 90 days after the statute's enactment date to gather the required number of signatures and present them to the Secretary of State.

The Constitution does not specify when the Legislature must adjourn for the interim study recess. Therefore, the change in timing of the effective date of statutes enacted pursuant to this proposal could result in statutes passed late in the first half of the legislative session becoming effective almost immediately after enactment. (Under existing provisions of the Constitution, the effective date of such statutes would be delayed for one additional year.) To the extent that the time between the enactment and the effective date is substantially reduced, this proposal could also result in the proponents of a referendum having little time to request a title from the Attorney General.

This proposal also contains a minor technical change which is not related to the major purpose described above. It provides that if the 12th day of the period usually given the Governor to veto a bill falls on Saturday, Sunday or a holiday, the 12-day period is extended to the next working day.

### FISCAL EFFECT:

This proposal has an undeterminable state and local fiscal effect because some statutes which result in costs or savings could take effect one year earlier than under existing Constitutional provisions.

## Text of Proposed Law

This amendment proposed by Assembly Constitutional Amendment 75 (Statutes of 1976, Resolution Chapter 55) expressly amends existing sections of the Constitution; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions to be inserted or added are printed in *italic type* to indicate that they are new.

### PROPOSED AMENDMENTS TO ARTICLES II AND IV

First—That subdivision (c) of Section 8 of Article IV is amended to read:

(c) (1) Except as provided in ~~paragraph~~ *paragraphs* (2) and (3) of this subdivision, a statute enacted at a regular session shall go into effect on January 1 next following a 90-day period from the date of enactment of the statute and a statute enacted at a special session shall go into effect on the 91st day after adjournment of the special session at which the bill was passed.

(2) Statutes calling elections, statutes providing for tax levies or appropriations for the usual current expenses of the State, and urgency statutes shall go into effect immediately upon their enactment.

(3) *Statutes enacted at a regular session pursuant to the provisions of paragraph (1) of subdivision (a) of Section 10 of Article IV shall go into effect on January 1 next following the enactment of the statute unless, prior to such time, the proponents of a referendum measure affecting such statute request a title for the measure from the Attorney General, in which event the statute shall go into effect 90 days after the enactment of the statute unless, the proponents of a measure qualify such measure for submission to the electors pursuant to subdivision (b) of Section 9 of Article II.*

Second—That Section 10 of Article IV is amended to read:

~~SEC~~ SEC. 10. (a) Each bill passed by the Legislature shall be presented to the Governor. It becomes a statute if it is signed by the Governor. The Governor may veto it by returning it with any objections to the house of origin, which shall enter the objections in the journal and proceed to reconsider it. If each house then passes the bill by rollcall vote entered in the journal, two thirds of the membership concurring, it becomes a statute. A bill presented to the Governor that is not returned within 12 days becomes a statute; provided, that:

(1) ~~any~~ Any bill passed by the Legislature during the first calendar year of the biennium of a legislative session and presented to the Governor after the Legislature has adjourned for the Interim Study Recess to reconvene in the second calendar year of the biennium of a legislative session becomes a statute if not returned within 30 days after the bill is presented to the Governor.

(2) Any bill passed by the Legislature before September 1 of the second calendar year of the biennium of the legislative session and in the possession

of the Governor on or after September 1 that is not returned by the Governor on or before September 30 of that year becomes a statute.

(b) The Legislature may not present to the Governor any bill after November 15 of the second calendar year of the biennium of the legislative session.

(c) If the Legislature by adjournment of a special session prevents the return of a bill with the veto message, the bill becomes a statute unless the Governor vetoes the bill within 12 days by depositing it and the veto message in the office of the Secretary of State.

(d) Any bill introduced during the first year of the biennium of the legislative session that has not been passed by the house of origin by the thirtieth day of January of the second calendar year of the biennium may no longer be acted on by the house. No bill may be passed by either house on or after September 1 of an even-numbered year except statutes calling elections, statutes providing for tax levies or appropriations for the usual current expenses of the State, and urgency statutes, and bills passed after being vetoed by the Governor.

~~(b)~~ (e) The Governor may reduce or eliminate one or more items of appropriation while approving other portions of a bill. The Governor shall append to the bill a statement of the items reduced or eliminated with the reasons for the action. The Governor shall transmit to the house originating the bill a copy of the statement and reasons. Items reduced or eliminated shall be separately reconsidered and may be passed over the Governor's veto in the same manner as bills.

(f) *If the 12th day of a period provided by this section for consideration of a bill by the Governor is a Saturday, Sunday, or holiday, the period shall be extended to the next working day.*

Third—That subdivision (b) of Section 9 of Article II is amended to read:

(b) A referendum measure may be proposed by presenting to the Secretary of State, ~~within 90 days after the enactment date of the statute,~~ a petition certified to have been signed by electors equal in number to 5 percent of the votes for all candidates for Governor at the last gubernatorial election, asking that the statute or part of it be submitted to the electors.

*The petition shall be presented to the Secretary of State on or before January 1 next following the enactment date of the statute, in the case of a statute enacted pursuant to paragraph (1) of subdivision (a) of Section 10 of Article IV unless, prior to such time, the proponents of a referendum measure affecting such statute request a title for the measure from the Attorney General, in which event the petition shall be presented to the Secretary of State within 90 days after the enactment date of the statute. In the case of any other statute, it shall be presented to the Secretary of State within 90 days after the enactment date of the statute.*

**Argument in Favor of Proposition 6**

After a bill passes the Legislature, the Governor has twelve days to sign or veto it; if he or she has not acted by then, the bill automatically becomes law. Twelve days is normally a sufficient amount of time to carefully consider the issue, discuss any problems with the author, and make a reasonable decision. Once a year, however, the flow of bills to the Governor's office becomes so heavy that a proper in-depth consideration of each measure within twelve days is impossible.

At the end of each year of the two-year legislative session, the normal progress of legislation creates a very heavy workload which eventually results in a large number of bills being stacked on the Governor's desk. Current law reflects awareness of this difficulty in the case of the second year by giving the Governor up to thirty days to consider this late legislation. The time

problem still exists, however, in the first year of the session.

Proposition Six extends from twelve to thirty days the amount of time the Governor has to consider legislation at the end of that first year. A lengthened period should guarantee more thoughtful examination of the issues and a more thorough review of each bill, which in turn should help to protect the quality of our law.

This proposition is essentially a housekeeping measure, a reform that costs nothing and ensures a smoother flow of legislative business, and so is worthy of support.

**BILL LOCKYER**

*Member of the Assembly, 14th District  
Chairman, Committee on Labor Relations*

**NATE HOLDEN**

*Member of the Senate, 30th District*

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**Rebuttal to Argument in Favor of Proposition 6**

The proponents of Proposition 6 are overlooking the people's right of referendum. Although they view this as essentially a "housekeeping measure", passage of this proposition could end up costing Californians their Constitutional right to challenge through the

referendum process legislation which they feel to be not in their best interest. Proposition 6 should be rejected by the voters.

**ROBERT H. BURKE**

*Member of the Assembly, 73rd District*

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## Argument Against Proposition 6

Don't vote away your right of referendum. Proposition 6 could make it extremely difficult to obtain referendum petitions. Preserve this essential protection against legislative abuses. Vote No on Proposition 6.

The intent of this Constitutional Amendment is to give the Governor additional time to review bills after the Legislature adjourns in the first year of the two-year sessions. It is true that the 12 days the Governor now has to sign the flood of last minute bills is insufficient. This Constitutional Amendment would be a solution if the Legislature's adjournment date were fixed by the Constitution. Since it is not, the Legislature could remain in session until the end of the year. If the legislative session continued into December of the first year, the Governor would be able to sign bills any time up to January 1. These bills would then go into effect on January 1 unless the proponents of a referendum measure affecting the new law were able to request a title for the referendum petitions from the Attorney General. It would be possible for the Governor to sign

a bill on December 31, and the bill to become law on the next day, January 1. Less than one day would be available to obtain a title from the Attorney General. The right of referendum would be lost.

The Constitution now guarantees at least 90 days from the time the Governor signs a bill until it becomes law. If that 90-day period runs into the following calendar year the effective date of the law is delayed until the next January 1. Proposition 6 will remove this 90-day guarantee by making all bills become law on the January 1 following their enactment. Not only does this jeopardize the referendum process, it reduces the opportunity for public awareness of new laws.

Proposition 6 is a poorly concocted means of giving the Governor more time to sign legislation. The benefit of added convenience for the Governor is not worth the price of a weakened referendum process. Vote No on Proposition 6.

**ROBERT H. BURKE**

*Member of the Assembly, 73rd District*

## Rebuttal to Argument Against Proposition 6

Proposition 6 makes a simple procedural change. It is designed to give the Governor more time to consider the vast number of bills that reach his desk during the first legislative year. Because this additional time cuts into the ninety day period that now exists between the present deadline for signature and the first of the year, Proposition 6 creates a special timetable for challenging such bills by referendum.

After the Governor signs one of these bills, citizens interested in a referendum have until January 1st to request a title for the referendum from the Attorney General. Once a title is given they have ninety days after the enactment of the challenged bill to qualify for the ballot. Thus, all that supporters of a referendum must do before January 1st is notify the Attorney

General of their intent to put the bill to a vote of the people. Such an action is simple to take, even under the extreme and improbable conditions put forth by the opposition.

Proposition 6 sensibly protects the right of referendum and provides time for a more careful consideration of bills by both the Governor and the public. We need the time for that extra look that Proposition 6 allows.

**BILL LOCKYER**

*Member of the Assembly, 14th District  
Chairman, Committee on Labor Relations*

**NATE HOLDEN**

*Member of the Senate, 30th District*

**Ballot Title**

**JUDGES. CENSURE, REMOVAL, JUDICIAL PERFORMANCE COMMISSION. LEGISLATIVE CONSTITUTIONAL AMENDMENT ARTICLE VI.** Amends section 8 to change name of "Commission on Judicial Qualifications" to "Commission on Judicial Performance". Amends section 18 to permit Supreme Court to censure or remove judges for "persistent failure or inability" rather than for "wilful and persistent failure" to perform their duties; to permit Commission to admonish judges who act improperly or are derelict in performance of their duties; and to provide that Commission recommendations for censure, removal or retirement of Supreme Court judges be determined by seven court of appeals judges selected by lot. Financial impact: Minor if any effect on state costs.

**FINAL VOTE CAST BY LEGISLATURE ON ACA 96 (PROPOSITION 7)**

Assembly—Ayes, 66  
Noes, 0

Senate—Ayes, 27  
Noes, 1

**Analysis by Legislative Analyst****PROPOSAL:**

The Constitution provides for a Commission on Judicial Qualifications consisting of five judges appointed by the Supreme Court, two attorneys appointed by the State Bar and two citizens appointed by the Governor and approved by the Senate. The purpose of the commission is to make recommendations to the Supreme Court for the reprimand, suspension, removal or retirement of judges for improper behavior, intemperance or failure to perform their duties.

This constitutional amendment changes the name of the commission to the Commission on Judicial Performance and makes the following additions and revisions in the current law:

1. Permits the commission, subject to review by the Supreme Court, to warn judges privately of any improper conduct or failure to perform their duties.
2. Authorizes the commission to recommend the reprimand or removal of judges by the Supreme Court for constant failure or inability to perform their duties. Presently, this recommendation can

be made only if the failure to perform is intentional.

3. Limits intemperance as a cause for reprimand or removal from office to the intemperate use of drugs or intoxicants. Existing law does not define intemperance.
4. Provides that if the commission recommends the reprimand, removal or retirement of a Supreme Court justice, the matter must be decided by a court consisting of seven judges of courts of appeal temporarily assigned for this purpose.

**FISCAL EFFECT:**

This measure would result in minor, if any, additional state cost to the extent that the Commission on Judicial Performance and the Supreme Court take action to reprimand or remove from office judges who lack ability to perform their duties. Minor costs also would be incurred for travel expenses of seven courts of appeal judges in the event they are required to consider recommendations to reprimand, remove or retire justices of the Supreme Court. Actions taken should provide longer term efficiencies and savings.

**Apply for Your Absentee Ballot Early**

## Argument in Favor of Proposition 7

Proposition 7 will streamline what is currently known as the Commission on Judicial Qualifications renaming that Commission and modernizing its procedures.

This Proposition will change the name of the Commission on Judicial Qualifications to the Commission on Judicial Performance, a name more in keeping with the duties of the Commission.

Under the Proposition, the Commission will continue to include two lay citizens appointed by the Governor, with the concurrence of the State Senate, to provide adequate public input and insure a fair review of all citizen complaints lodged against the judiciary.

Other members of the Commission would be appointed by the Supreme Court and the State Bar Board of Governors with all members to serve four-year terms.

Proposition 7 will expand the powers of the Commission to deal with judicial officers who, due to disability, are no longer able to perform their judicial functions. Under current constitutional authority the Commission may only censure or remove a judge where the persistent failure to perform duties is willful. This Proposition will eliminate willfulness as grounds for removal and censure, enabling the Commission to more adequately deal with problems of age and health which may impede the efficiency and quality of justice.

While all Californians are sympathetic to those who fall victim to ill health, the administration of justice in this state demands an impartial and objective review of whether ill health or age adversely affects an individual's performance on the bench.

Further, the Proposition will permit the Supreme Court to censure or remove a judge for persistent inability to perform judicial duties whether such inability is willful or merely the product of incompetence. Under existing law persistent inability must be willful before it constitutes grounds for Commission action. There is no place on California's courts for persons who, though well intentioned, are not qualified by way of legal competence to serve on the bench.

This measure will also give greater flexibility to the Commission to deal with habitual intemperance relating to the use of intoxicants or drugs by judges in California. The Proposition will give to the Commission the authority to remove or censure judges for such conduct.

Proposition 7 gives to the Commission on Judicial Performance the tools that it needs to deal with today's problems relating to the administration of justice in California and insures that all Californians will be afforded the best judicial system for their tax dollars.

**ROBERT G. BEVERLY**  
*Member of the Assembly, 51st District*

**JOHN J. MILLER**  
*Member of the Assembly, 13th District*  
*Chairman, Assembly Committee on Judiciary*

**ALFRED H. SONG**  
*Member of the Senate, 26th District*  
*Chairman, Senate Committee on Judiciary*

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**No argument against Proposition 7 was submitted**

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**Text of proposed law appears on pages 60-61**



## County Superintendents of Schools and Boards of Education

### Ballot Title

**COUNTY SUPERINTENDENTS OF SCHOOLS AND BOARDS OF EDUCATION. LEGISLATIVE CONSTITUTIONAL AMENDMENT.** Amends Article IX to authorize selection of county school superintendents either by appointment of the county board of education or election, at the option of the electorate. Transfers responsibility for the establishment of the salaries of county superintendents from the Legislature to the county board of education. Empowers two or more counties to establish by majority vote of their electorates a joint board of education, and county superintendent of schools. Specifies that joint boards of education and superintendents shall be governed by state statute and not county charter provisions. Financial impact: Indeterminable.

### FINAL VOTE CAST BY LEGISLATURE ON ACA 77 (PROPOSITION 8)

Assembly—Ayes, 65  
Noes, 6

Senate—Ayes, 27  
Noes, 4

### Analysis by Legislative Analyst

#### PROPOSAL:

The Constitution presently provides that in chartered counties the county superintendent of schools may be elected by the voters or appointed in a manner described in the county charter. In nonchartered counties, the superintendent must be elected. This proposal would permit nonchartered counties to either elect or appoint the county superintendent as in chartered counties.

The Constitution also gives the Legislature the authority to permit two or more counties to unite and elect one superintendent of schools. This proposal would authorize any combination of two or more chartered or nonchartered counties, by a majority vote of the electors, to establish one joint board of education and one superintendent of schools.

The Constitution currently requires the Legislature

to fix the salaries of county superintendents of schools. This proposal would instead require county boards of education to fix the salaries of county superintendents of schools.

#### FISCAL EFFECT:

The cost of operating the office of county superintendent of schools is shared by the state and local governments. Such cost could be reduced if counties unite to establish one joint board of education and superintendent of schools. The cost could also be affected to the extent that county boards of education fix salaries for county superintendents of schools different than those which would have been specified by the Legislature. The appointment rather than election of superintendents could result in local election expense savings.

**Study the Issues Carefully**

## Text of Proposed Law

This amendment proposed by Assembly Constitutional Amendment 77 (Statutes of 1976, Resolution Chapter 57) expressly amends the Constitution by amending and adding various sections. Therefore, the provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions proposed to be inserted or added are printed in *italic type* to indicate that they are new.

### PROPOSED AMENDMENTS TO ARTICLE IX

First—That Section 3 of Article IX thereof is amended to read:

~~SEC SEC.~~ 3. A Superintendent of Schools for each county ~~shall~~ *may* be elected by the qualified electors thereof at each gubernatorial election *or may be appointed by the county board of education, and the manner of the selection shall be determined by a majority vote of the electors of the county voting on the question*; provided, that ~~the Legislature may authorize~~ *two or more counties may, by an election conducted pursuant to Section 3.2 of this article, to unite and elect for the purpose of electing or appointing one* ~~superintendent joint superintendent~~ *for the counties so uniting.*

Second—That Section 3.1 of Article IX thereof is amended to read:

~~SEC SEC.~~ 3.1. (a) Notwithstanding any provision of this Constitution to the contrary, the Legislature shall prescribe the qualifications required of county superintendents of schools ~~and shall fix their salaries~~, and for these purposes shall classify the several counties in the ~~State state~~.

(b) *Notwithstanding any provision of this Constitution to the contrary, the county board of education or joint county board of education, as the case may be, shall fix the salary of the county superintendent of schools or the joint county superintendent of schools, respectively.*

Third—That Section 3.2 is added to Article IX thereof, to read:

*SEC. 3.2. Notwithstanding any provision of this Constitution to the contrary, any two or more chartered counties, or nonchartered counties, or any combination thereof, may, by a majority vote of the electors of each such county voting on the proposition at an election called for that purpose in each such county, establish one joint board of education and one joint county superintendent of schools for the counties so uniting. A joint county board of education and a joint county superintendent of schools shall be governed by the general statutes and shall not be governed by the provisions of any county charter.*

Fourth—That Section 3.3 of Article IX thereof is amended to read:

~~SEC SEC.~~ 3.3. *Except as provided in Section 3.2 of this article, it shall be competent to provide in any charter framed for a county under any provision of this Constitution, or by the amendment of any such charter, for the election of the members of the county board of education of such county and for their qualifications and terms of office.*

Fifth—That Section 7 of Article IX thereof is amended to read:

~~SEC SEC.~~ 7. The Legislature shall provide for the appointment or election of the State Board of Education and a board of education in each county *or for the election of a joint county board of education for two or more counties.*

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## Argument in Favor of Proposition 8

Proposition 8 makes three needed reforms to give voters more local control over the running of their county offices of education.

**FIRST, IT WOULD GIVE THE VOTERS IN NON-CHARTER COUNTIES THE SAME RIGHT CHARTER COUNTIES NOW HAVE TO DETERMINE WHETHER THEIR COUNTY SUPERINTENDENT IS ELECTED OR APPOINTED.**

Voters in charter counties now have the option of determining whether their county superintendent should be elected or appointed. Voters in the 47 general law counties do not have this choice. This measure would allow the voters in the general law counties to have more voice in the operation of their county offices of education. They would be able to decide if the county superintendent should be appointed or elected.

**SECOND, IF THE VOTERS OF EACH INVOLVED COUNTY CHOSE TO DO SO, IT WOULD AUTHORIZE TWO OR MORE COUNTIES TO ESTABLISH A JOINT COUNTY BOARD OF EDUCATION AND COUNTY SUPERINTENDENT OF SCHOOLS.**

The Constitution currently provides that the legislature may authorize two or more counties to unite and elect one superintendent for the counties so uniting. This measure would extend that provision to allow two or more counties to establish one joint board of education as well. The option would be entirely up to the voters in each county. Local determination would be preserved.

**THIRD, IT PROVIDES THAT COUNTY BOARDS OF EDUCATION WILL SET THE SALARY OF**

**THEIR COUNTY SUPERINTENDENT RATHER THAN HAVING THE SALARY FIXED BY THE STATE LEGISLATURE.**

Presently, the salary of the county superintendent is set by the state legislature. The salary is determined by multiplying an adjustment factor for different classes of counties times the statewide average of teachers' salaries. This is an archaic and complicated provision of the law which was made before the legislature established elected county boards of education. Passage of this measure will give salary setting authority to the local board of education where it belongs. The local elected board of education responsible to the public should make this determination, not the state legislature.

This measure is supported by the State Department of Education, the Association of California School Administrators and the County Superintendents of Schools.

Passage of Proposition 8 will encourage closer cooperation between county boards of education and county superintendents of schools, which will enable county offices of education to run more efficiently and improve the quality of education in the state.

The option of consolidation will allow wise use of taxpayers' dollars.

**VOTE YES ON PROPOSITION 8.**

**LEROY F. GREENE**

*Member of the Assembly, 6th District*

*Chairman, Assembly Committee on Education*

## Rebuttal to Argument in Favor of Proposition 8

Local control of schools is essential to quality education.

Proposition 8 would restrict local control in 3 ways:

- 1) Elected school superintendents may be voted out of office for incompetency. You would have no control over an appointed school superintendent,
- 2) Under Proposition 8, you may have to drive hundreds of miles just to attend a school board meeting,

- 3) Many superintendents already receive salaries of \$35,000 a year. Under Proposition 8, these salaries could be raised without your knowledge or consent.

Proposition 8 would protect incompetent superintendents, limit local control and cost more. That is why Proposition 8 deserves your "NO" vote.

**H. L. "BILL" RICHARDSON**

*Member of the Senate, 19th District*

**PAULINE L. DAVIS**

*Member of the Assembly, 1st District*

## Argument Against Proposition 8

There are three major problems with Proposition 8:

1) It removes the State limitation on Superintendent's salaries, allowing the County Board of Education to raise such salaries at will. Of course, they could conceivably also lower salaries, but there is little chance of that happening.

2) Proposition 8 would allow 2 or more counties to combine and establish a joint Board of Education with a joint Superintendent. Nowhere does the bill state that the 2 counties must adjoin. Although this question was raised at the hearing on the bill, the proponents did not change it; thus, counties separated by hundreds of miles might conceivably be brought under a single board.

3) In many counties, parents must already drive over 70 miles just to attend a school board meeting. Under

Proposition 8, these parents might have to drive across the State in order to voice their opinions to their "local" school board.

In short, Proposition 8 is an attempt to insulate county school boards from parental control. Few parents might be expected to travel 100 miles and more to attend a school board meeting. Isolated from the watchful eye of parents and taxpayers, school boards cannot be expected to keep ballooning salaries in line.

Under Proposition 8, parents and taxpayers will pay more and have less control and that is reason enough to reject any Proposition. We urge your "NO" vote on Proposition 8.

**H. L. "BILL" RICHARDSON**  
*Member of the Senate, 19th District*

**PAULINE L. DAVIS**  
*Member of the Assembly, 1st District*

## Rebuttal to Argument Against Proposition 8

The arguments against Proposition 8 are specious.

Opponents say the measure removes the State limitation on county superintendents' salaries. As a practical matter, there is no limitation now; the legislature normally grants salary increases to county superintendents at least every two years. Proposition 8 will enable local county boards of education to negotiate a salary contract with their county superintendent for a specified period of time, normally four years. The local county board of education will set the limit according to local needs, rather than a State formula. Local voters too, through their elected county board of education members, will have a greater influence than they presently have.

The argument that counties separated by hundreds of miles might be brought under a single board is

astonishing. It gives local voters no credit for common sense. The voters in each county considering a combined single board must approve the proposal.

It would not make sense to combine county school boards across vast geographical distances, and local voters would not approve such a proposal. On the other hand, voters of smaller adjacent counties might well support an effort at economy and efficiency by voting to replace two or more county boards of education and county superintendents of education with a single combined board and superintendent.

Proposition 8 will give parents and taxpayers more control, not less, and greater value for their education dollar. Vote "YES" on Proposition 8.

**LEROY F. GREENE**  
*Member of the Assembly, 6th District*  
*Chairman, Assembly Education Committee*

**Ballot Title**

**STATE CONSTITUTIONAL OFFICES. FILLING VACANCIES IN. CONFIRMATION. LEGISLATIVE CONSTITUTIONAL AMENDMENT.** Requires confirmation by Legislature before Governor's appointees to fill vacancies in offices of Superintendent of Public Instruction, Lieutenant Governor, Secretary of State, Controller, Treasurer, Attorney General and on State Board of Equalization may take office. If Legislature does not act within 90 days of Governor's nomination and is at the end of such 90-day period not in recess, appointees may take office as if confirmed; if Legislature is then in recess, the 90-day period is extended to six days following reconvening of the Legislature. Financial impact: No direct state fiscal effect.

**FINAL VOTE CAST BY LEGISLATURE ON ACA 94 (PROPOSITION 9)**

Assembly—Ayes, 65  
Noes, 3

Senate—Ayes, 27  
Noes, 7

**Analysis by Legislative Analyst****PROPOSAL:**

The State Constitution currently authorizes the Governor to fill vacancies in the offices of Lieutenant Governor, Attorney General, Secretary of State, Controller, Treasurer, Superintendent of Public Instruction and State Board of Equalization without approval of the Legislature.

This proposal would require the Governor's appointee to a vacancy in any of the above offices to be

approved by a majority of the Senate and Assembly. If the Senate and Assembly neither accept nor reject the person designated to the vacancy by the Governor within 90 days, the person automatically assumes office. In the event the 90-day period ends during a legislative recess, this deadline is extended until six days after the Legislature reconvenes.

**FISCAL EFFECT:**

This proposal has no direct state fiscal effect.

**Study the Issues Carefully**

## Text of Proposed Law

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This amendment proposed by Assembly Constitutional Amendment 94 (Statutes of 1976, Resolution Chapter 58) expressly amends an existing section of the Constitution; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions to be inserted or added are printed in *italic type* to indicate that they are new.

### PROPOSED AMENDMENT TO ARTICLE V

~~SEC~~ SEC. 5. (a) Unless the law otherwise provides, the Governor may fill a vacancy in office by appointment until a successor qualifies.

(b) *Whenever there is a vacancy in the office of the Superintendent of Public Instruction, the Lieutenant*

*Governor, Secretary of State, Controller, Treasurer, or Attorney General, or on the State Board of Equalization, the Governor shall nominate a person to fill the vacancy who shall take office upon confirmation by a majority of the membership of the Senate and a majority of the membership of the Assembly and who shall hold office for the balance of the unexpired term. In the event the nominee is neither confirmed nor refused confirmation by both the Senate and the Assembly within 90 days of the submission of the nomination, the nominee shall take office as if he or she had been confirmed by a majority of the Senate and Assembly; provided, that if such 90-day period ends during a recess of the Legislature, the period shall be extended until the sixth day following the day on which the Legislature reconvenes.*

## Argument in Favor of Proposition 9

Proposition 9 requires that anyone nominated by the Governor to fill a vacancy in a constitutional office must be confirmed by a majority of the Senate and the Assembly. Such constitutional offices include the Lieutenant Governor, Secretary of State, Controller, Treasurer, Attorney General, Superintendent of Public Instruction and members of the Board of Equalization. Requiring approval by elected representatives is consistent with the principle of checks and balances so basic to our system of government; it also will open the process of filling a vacancy to public examination and discussion.

These offices are normally filled by a vote of all the people, because the tasks they perform have a tremendous impact on the life of every Californian. Under current law, whenever these positions become vacant due to death or resignation, the Governor simply appoints an individual to take over. It seems only reasonable to require that an individual who might take office outside the election process be carefully considered by as wide a representation of the people as possible. The quickest and most economical way to do this is to submit the names of nominees to a vote of the people's representatives.

Proposition 9 is modeled after the XXVth

amendment of the U. S. Constitution, which provides that a nominee for the Office of Vice President must be approved by the Senate and House. The value of such an arrangement was evident in the case of both Gerald Ford and Nelson Rockefeller, who each assumed the vice-presidency with broad support after a full public disclosure of his record. A similar method of filling vacancies in California would ensure such continuity and lessen the chance that some Governor might someday appoint an individual to a vacancy for political advantage or patronage purposes.

Maintenance of a healthy balance between the executive and the legislative branches is a principle dating back to the Founding Fathers. Allowing one person alone to fill such an important office is a gross distortion of that principle. Our tradition demands that we correct this situation. Please vote in favor of Proposition 9. It's a needed reform that's long overdue.

**BILL LOCKYER**

*Member of the Assembly, 14th District  
Chairman, Committee on Labor Relations*

**BOB WILSON**

*Member of the Assembly, 77th District  
Chairman, Committee on Governmental Organization*

## Rebuttal to Argument in Favor of Proposition 9

Proposition 9 is neither a check nor a balance system. Instead, it is a ticket for the Legislature to become politically involved in the Governor's appointments.

The Founding Fathers of this nation provided in the Constitution of the United States that the President shall have the power to fill vacancies without political pressures from Congress. In their deep wisdom, they feared the kind of politicking that would result if Congress became involved in confirming every presidential appointment.

Likewise, the Governor of California should not be required to play political games with the Legislature. The Governor is elected as the people's representative to fill vacancies when necessary. To remove that

authority and give it to the Legislature serves only the politicians and not the people of California. Legislative debates will result in the waste of time and tax dollars.

What does a *NO* vote on Proposition 9 mean? It means you want the Governor to be able to act in the people's best interest and not be a political puppet. A *NO* vote means you want a more efficient and less costly state government. A *NO* vote means you want more correct appointments for the benefit of the people rather than for the benefit of big politicians. Vote *NO* on Proposition 9.

**MIKE D. ANTONOVICH**

*Member of the Assembly, 41st District*

## Argument Against Proposition 9

The passage of Proposition 9 would virtually tie the hands of any Governor elected to serve the people of California.

This amendment would require legislative approval of all Governor's appointments to fill vacancies in specific constitutional offices.

Present law authorizes the Governor to fill vacancies in the office of Secretary of State, Controller, Treasurer, or Attorney General for the balance of an unexpired term. No confirmation is required.

However, this legislation would, if approved by the people, amend the California Constitution to require confirmation by a majority of the Senate and Assembly membership of any appointment made by the Governor to fill a vacancy in the above offices, as well as the office of Superintendent of Public Instruction, or on the State Board of Equalization.

At first glance, this legislation might appear to be in the best interests of the people, as it calls for close inspection of Governor's appointments. In reality, however, Proposition 9 would prohibit our Governor from exercising his normal executive functions.

The passage of Proposition 9 would result in additional red tape, causing long delays in the filling of vacated positions in important state offices.

The Governor must be able to move with dispatch when a vacancy occurs in state government. To tie his hands on such a routine matter, one that is normally expediently dealt with, simply adds miles of red tape to an area heretofore untouched by bureaucratic meddling.

Proposition 9 would also result in a political football game between the Legislature and the Governor. As the Governor would be subject to the whims of either

the Senate or the Assembly, he could be rendered virtually powerless. The simple act of filling a vacancy could assume monstrous proportions if the Senate or Assembly could not reach agreement regarding a candidate that would be acceptable to both. Hence, the appointment could bounce back and forth between the Governor and Legislature, with each rejection involving more time wasted. In turn, the vacancy would remain unfilled and unproductive, while the Legislature becomes further embroiled in political maneuvering.

This amendment has serious consequences for any future Governor who does not happen to be a member of the same political party that controls the Senate or the Assembly.

If this situation were to occur, Proposition 9 would effectively prohibit the Governor from ever filling vacancies in specified constitutional offices. Again, political red tape would prohibit the Governor from performing the duties required of his office.

Proposition 9 does not provide for the needs of the people of California. It prohibits our Governor from filling vacancies with dispatch as they occur. Thus, this extra red tape would keep state government from running smoothly and efficiently.

Proposition 9 is a bad amendment; it clutters up our State Constitution with unnecessary bureaucratic procedures—unnecessary, unwarranted, and unwanted by our Governor. The Governor is elected by Californians to serve us all; we must not tie his hands with more red tape that would prohibit him from working on our behalf.

**MIKE D. ANTONOVICH**

*Member of the Assembly, 41st District*

## Rebuttal to Argument Against Proposition 9

The opposition calls the filling of vacancies in our independent constitutional offices "routine". Replacing constitutional officers who vacate office due to death or resignation is hardly a "routine matter"; if this were the case, these officers should not be elected by the general public in the first place.

The opposition's repeated reference to "red tape" is a "red herring". The Senate currently confirms many gubernatorial appointees with no red tape and little delay, except the time demanded for thorough study. We can expect no less in the case of the more important constitutional offices.

The opposition fears political football games. Past experience indicates that such developments would be unlikely, as legislators consider review of appointments a serious responsibility. However, delay due to genuine disagreement on the qualifications of a candidate might occur. This would not render the Governor "entirely

powerless", as the opposition exaggerates. Business would continue as usual, with the tasks of the vacant office performed by the appropriate deputy. If the opposition truly fears political games, it should carefully consider the fact that the present system of appointment without confirmation offers an opportunity for tricky political footwork that would be impossible under a system of checks and balances.

Proposition 9 cuts out red tape, ties no one's hands, and keeps everyone honest. We need the guarantee of legislative review to prevent the very types of political abuse the opposition fears.

**BILL LOCKYER**

*Member of the Assembly, 14th District  
Chairman, Committee on Labor Relations*

**BOB WILSON**

*Member of the Assembly, 77th District  
Chairman, Committee on Governmental Organization*



10

## Property Taxation by Local Governments Whose Boundaries Include Area in Two or More Counties

### Ballot Title

**PROPERTY TAXATION BY LOCAL GOVERNMENTS WHOSE BOUNDARIES INCLUDE AREA IN TWO OR MORE COUNTIES. LEGISLATIVE CONSTITUTIONAL AMENDMENT.** Adds section 14 to Article XI. Unless approved by majority vote of qualified voters of local government voting on question, prohibits local governments formed after adoption of section 14 and whose geographic boundaries include area in two or more counties from levying property taxes. Financial impact: No direct state or local fiscal effect.

### FINAL VOTE CAST BY LEGISLATURE ON SCA 46 (PROPOSITION 10)

Assembly—Ayes, 74  
Noes, 0

Senate—Ayes, 32  
Noes, 0

### Analysis by Legislative Analyst

#### PROPOSAL:

Current law prohibits a newly formed local government agency, such as a special district, from imposing a property tax unless a maximum tax rate has been approved by a majority of the voters within its boundaries. In certain cases approval must be obtained from owners of 60 percent of the land. The Legislature may, however, create a special district and authorize a property tax levy without voter approval.

This proposition would amend the Constitution to prohibit a new local government agency from levying a property tax without approval of a majority of the voters if the boundaries of the agency include all or parts of two or more counties. This constitutional amendment would prevent the Legislature from authorizing a property tax levy for such agencies.

#### FISCAL EFFECT:

This proposition would have no direct state or local fiscal effect.

**Study the Issues Carefully**

# Property Taxation by Local Governments Whose Boundaries Include Area in Two or More Counties

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## Argument in Favor of Proposition 10

Proposition 10 will return a significant measure of property tax control to the taxpayer. Historically, taxpayers have been denied the opportunity to approve property tax increases levied for the purpose of financing the creation and support of special districts.

Proposition 10 will prohibit any local agency formed after the effective date of SCA 46 from imposing a tax unless the rate is approved by a majority of the voters.

Previously, local jurisdiction and the Legislature have created and financed special districts to provide services on the local level at the expense of the property taxpayer without the consent of the property taxpayer. Although there is merit in the creation of special districts aimed at providing more governmental and social services, nevertheless, such acts require the imposition of higher taxes. Taxation without representation in any form and for whatever purpose loses all value when imposed without the approval and consent of the people.

Proposition 10 provides significant protection of property taxpayers' rights. It gives authority to taxpayers to place a **stamp of approval** on any and all property tax increases requested to finance special districts.

As a case in point, in virtually every instance in which a school district seeks a tax override (to raise funds) they are required by law to obtain taxpayers' approval. This practice is just and reflects consideration for the rights of taxpayers. Proposition 10 will extend this right to taxpayers concerning the creation of special districts.

**A "YES" VOTE ON THIS IMPORTANT MEASURE WILL RETURN SIGNIFICANT PROPERTY TAX CONTROL TO THE TAXPAYERS.**

**NATE HOLDEN**

*Member of the Senate, 30th District*

**JAMES R. MILLS**

*President Pro Tempore of the Senate, 40th District*

**LEO T. MCCARTHY**

*Speaker of the Assembly, 18th District*

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**No argument against Proposition 10 was submitted**

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**Text of proposed law appears on page 61**

## Ballot Title

**TAX RATES ON UNSECURED PROPERTY. LEGISLATIVE CONSTITUTIONAL AMENDMENT.** Amends Article XIII section 12 to provide that Legislature shall adjust tax rates on personal property, possessory interests in land and on improvements on land exempt from taxation in any year when assessment ratios are changed to maintain equality between property on secured and unsecured rolls. Financial impact: No direct state or local fiscal effect.

## FINAL VOTE CAST BY LEGISLATURE ON SCA 53 (PROPOSITION 11)

Assembly—Ayes, 72  
Noes, 0

Senate—Ayes, 28  
Noes, 0

## Analysis by Legislative Analyst

**PROPOSAL:****Background:**

Under present law county assessors use a percentage of market value when determining the assessed value for local property tax purposes. This percentage, called the "assessment ratio", is currently fixed at 25 percent; i.e., a home with a market value of \$20,000 would have an assessed value of \$5,000.

Present law also identifies property as "real" and "personal", real generally being land and buildings, and personal generally being portable items such as inventories, business equipment and furnishings.

For tax purposes real property is placed on the assessor's "secured" roll and some types of personal property are placed on the "unsecured" roll. Such personal property is classified as unsecured because it can be moved and therefore possibly escape payment of the property tax. For this reason the taxes on "unsecured" property are collected at an earlier date,

between March and August of each year, which is prior to the setting of the new year's tax rate. As a result, existing law provides that last year's real property tax rate shall be applied to these "unsecured" properties.

Under current law if the Legislature changes the 25 percent assessment ratio, the tax rate on "secured" property can be adjusted so that it will not be taxed differently than it would have been before the ratio change. But in the case of "unsecured" property current law does not permit such an adjustment.

**Proposition:**

This proposition would require the Legislature to adjust the tax rate on "unsecured" property in any year in which it changes the assessment ratio. The effect of the proposal would be to place unsecured property taxes on a basis comparable to secured property taxes in the event of a change in the assessment ratio.

**FISCAL EFFECT:**

This proposal has no direct state or local fiscal effect.

## Argument in Favor of Proposition 11

This proposed amendment to the Constitution is basically technical and has little substantive effect.

It does not increase anyone's taxes.

It does not shift anyone's taxes.

It simply authorizes the Legislature to adjust the tax rates on unsecured property and on secured property so that equality is maintained between them. This authority is proposed in relation to a possible change in the assessment ratio. The purpose of the proposed amendment is to enable the Legislature to require that county assessors assess property for property tax purposes at full market value rather than 25% of full market value as presently.

County assessors now actually appraise property at its full value, but they are required by law to record it at 25% of that value and to tell the property owner that his property is assessed at that 25%.

The assessor also reports to the taxpayer what the full market value is.

Consequently, the assessor is required to waste his time—and taxpayers' money. The property owner is misled and confused by the appearance of two values on his tax bill.

To eliminate this idle exercise, the Constitution must be changed as it now requires **this** year's rate on the unsecured roll to be the same as **last** year's rate on the secured rolls.

This proposed amendment was unopposed during the entire legislative process.

We respectfully request your "YES" vote for this proposition.

**JOHN W. HOLMDAHL**

*Member of the Senate, 8th District*

**WALTER W. STIERN**

*Member of the Senate, 16th District*

**DANIEL E. BOATWRIGHT**

*Member of the Assembly, 10th District*

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**No argument against Proposition 11 was submitted**

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**Text of proposed law appears on page 61**

**Apply for Your Absentee Ballot Early**

**12**

## Loans by State for Energy Conservation Improvements in Residential Structures

### Ballot Title

**LOANS BY STATE FOR ENERGY CONSERVATION IMPROVEMENTS IN RESIDENTIAL STRUCTURES. LEGISLATIVE CONSTITUTIONAL AMENDMENT.** Adds section 12 to Article XVI to authorize Legislature to provide program of state loans at lower than prevailing interest rates to finance installation of energy insulation, solar heating or cooling systems in residential structures. Financial impact: No direct state or local fiscal effect.

### FINAL VOTE CAST BY LEGISLATURE ON SCA 45 (PROPOSITION 12)

Assembly—Ayes, 55  
Noes, 19

Senate—Ayes, 27  
Noes, 3

### Analysis by Legislative Analyst

#### PROPOSAL:

This proposal would remove a legal conflict between the Constitution and the loan program authorized by Chapter 264 of the Statutes of 1976, which could be financed by bonds authorized pursuant to Proposition 3 on this ballot, or any similar state loan program. Proposition 3 would authorize the sale of \$25 million in state general obligation bonds for state loans to finance installations of energy insulation or solar heating or cooling systems in residential structures. Chapter 264 of the Statutes of 1976 specifically provides that these loans may be made at interest rates which are lower

than prevailing market rates charged by banks and conventional lending institutions.

However, the Constitution currently prohibits a gift of public money to a private party, and the proposed program of loans at interest rates lower than prevailing market rates may constitute such a gift. This proposal would remove this constitutional problem by expressly permitting such a program of state loans.

#### FISCAL EFFECT:

This proposal will have no direct state or local fiscal effect. Any costs would depend on the financing terms of any loan program which is implemented.

**Apply for Your Absentee Ballot Early**

## Text of Proposed Law

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This amendment proposed by Senate Constitutional Amendment 45 (Statutes of 1976, Resolution Chapter 61), expressly adds a section to the Constitution; therefore, the new provisions to be added are printed in *italic type* to indicate that they are new.

### PROPOSED AMENDMENT TO ARTICLE XVI

*SEC. 12. The Legislature may provide for a program of state loans, which may bear interest at less than prevailing market rates, for financing installations of energy insulation or solar heating or cooling systems in residential structures.*

# Loans by State for Energy Conservation Improvements in Residential Structures

## Argument in Favor of Proposition 12

This Proposition would expressly authorize the Legislature to provide for a program of state loans, which may bear interest at less than prevailing market rates, for financing the installation of energy insulation and solar heating or cooling systems in residential structures.

This Proposition, Proposition 12, is a companion measure to Proposition 3 on this ballot. Proposition 3, if approved, will authorize the State to sell \$25 million in general obligation bonds to finance the Residential Energy Conservation Loan Program. This program, as set out in Proposition 3, provides for a state offering of low interest loans for the installation of such energy saving devices.

A "yes" vote on both Proposition 3 and Proposition 12 will result in lower than prevailing interest rates for

loans utilized to install either solar energy systems or home insulation.

Because of the high initial cost of solar energy systems, this low interest loan program will provide an invaluable economic stimulus to an important alternative energy market. Individuals who purchase solar heating and cooling devices will realize substantial savings in their utility bills, and help to conserve our dwindling supply of fossil fuels.

We the undersigned urge a "yes" vote on Proposition 12.

**JERRY SMITH**

*Member of the Senate, 12th District*

**VICTOR CALVO**

*Member of the Assembly, 21st District*

**RICHARD MAULLIN**

*Chairman, Energy Resources Conservation and Development Commission*

## Rebuttal to Argument in Favor of Proposition 12

Section 6 of Article XVI of the State Constitution prohibits the Legislature from giving or binding the credit of the state in aid of any person or corporation.

That Section prevents the Legislature from engaging in political favoritism with taxpayers' money. Proposition 12 changes this important Section in the

Constitution and opens the door to fiscal irresponsibility.

Let's keep government spending free from political favoritism. Vote "NO" on Proposition 12.

**H. L. "BILL" RICHARDSON**

*Member of the Senate, 19th District*

# Loans by State for Energy Conservation Improvements in Residential Structures

12

## Argument Against Proposition 12

If you liked Proposition 3, you're going to just love Proposition 12.

Proposition 3 authorizes a \$25 million bond issue to buy air conditioners for private individuals. Proposition 12 would add this incredible boondoggle to the State Constitution!

It stands to reason that if virtually no one in the State of California can afford a solar-powered air conditioner now, the government is not going to be able to provide "Welfare Air" for everyone. It's a fact of life.

Government can cool some of the people some of the time, but it can't cool all of the people all of the time.

Proposition 12 is like raising taxes to ship snowballs to the Eskimos. It's taking from "them that don't got it" to give to "them that don't need it." Let's restore a semblance of sanity to California's fiscal policy. Vote "NO" on Proposition 12.

**H. L. "BILL" RICHARDSON**  
*Member of the Senate, 19th District*

## Rebuttal to Argument Against Proposition 12

Proposition 12, a companion measure to Proposition 3, authorizes the Legislature to sell bonds to finance the low interest loan program for the purpose of installing energy saving devices in homes. The program offers the financial incentive to invest in the devices but at no cost to California taxpayers. A self-supporting loan fund will be created with all administrative costs paid for out of the bond revenues. As the initial loans are paid off, new loans can be granted at no cost to the taxpayers. A similar loan program in California is the Cal-Vet program, which in its 54 year history has never had to rely on taxpayers' support.

This is not a solar air conditioning program as alleged, but instead, an encouragement to invest in energy

saving devices, such as insulation and solar heating, which provide benefits for people of all income levels.

Proposition 12 doesn't threaten California's fiscal well being, rather it continues the state's tradition of sound bond programs into an area of energy conservation and proven technical know-how.

To promote responsible energy use, vote yes on Proposition 12.

**JERRY SMITH**  
*Member of the Senate, 12th District*

**VICTOR CALVO**  
*Member of the Assembly, 21st District*

**RICHARD MAULLIN**  
*Chairman, Energy Resources Conservation  
and Development Commission*



## Ballot Title

**GREYHOUND DOG RACING. INITIATIVE STATUTE.** Establishes California Greyhound Racing Commission to license and regulate the conduct of greyhound races by qualified greyhound racing associations. Applicants for a first license shall pay a fifty thousand-dollar non-refundable application fee. Once issued, licenses shall automatically be renewable for three-year periods unless revoked for just cause. The pari-mutuel method of wagering shall be permitted on greyhound races. A specified percentage of proceeds from pari-mutuel wagering shall be deposited in a Greyhound Racing Fund in the State Treasury, which fund shall be available for specified public purposes when appropriated by the Legislature. Financial impact: Indeterminable.

## Analysis by Legislative Analyst

**PROPOSAL:**

Current law does not permit betting on greyhound racing, although it does permit state-licensed horseracing with betting at race tracks.

This proposition would establish the California Greyhound Racing Commission which would regulate greyhound racing and betting, and would provide for the licensing of participants (i.e., owners, trainers, etc.). Betting on such races would only be allowed at greyhound tracks.

The proposition does not specify how many new greyhound tracks could be established. However, it provides that the Commission can allocate 875 regular racing days per year plus a number of days for charitable purposes. These racing days would be distributed among licensed racing associations operating at tracks to be approved by the Greyhound Racing Commission.

The proceeds from betting on greyhound races are to be distributed approximately as follows:

1. 2½ percent as purses and awards to owners and breeders of winning dogs,
2. 7¼ percent to the racing association conducting the race,
3. 6 percent as a state license fee to be deposited into a newly created Greyhound Racing Fund, and
4. the remaining balance, 84.25 percent, to be paid to the holders of winning tickets.

The revenues from the state license fee (No. 3 above) would be available (1) to support the racing commission, (2) for distribution to cities and counties, and (3) for the support of 13 specified programs identified below. None of these revenues will be deposited in the state General Fund.

**FISCAL EFFECT:**

The magnitude of the state license fee revenues will depend, to a large extent, on how fast greyhound tracks are developed and the number of racing days actually allocated. Initially revenue could be rather modest. Based on experience in other states, California state government revenues could range between \$45 million and \$75 million per year when all of the allowable racing days are used. The time necessary for this could be several years after the adoption of this proposition.

From the state's share of revenues, the Legislature is authorized to appropriate 25 percent to the cities and counties in which greyhound racing occurs. Such appropriations shall be in lieu of any city or county parking or admission tax on greyhound racing for the first 10 years after the initiative becomes effective.

The remaining 75 percent of state revenues is appropriated in specified shares for a variety of program activities involving high school athletics, child development, senior citizens' transportation and nutrition, handicapped children, childhood diseases, deaf children, blind relief, youth problems including juvenile delinquency prevention and child abuse, heart research, cancer programs and services, bilingual education, and retirement farms for racing greyhounds. In addition there will be funds distributed to charities from charity racing days required by the proposition.

The adoption of the proposition will not result in a net increase in state costs because its fiscal effects will be funded from the state's share of betting proceeds. However, its enactment may result in lower wagering on horseracing which in turn would reduce state General Fund revenues.

The net fiscal effect on local government is impossible to estimate. In areas where tracks are established, property and sales taxes can be expected to increase. Local costs associated with law enforcement can also be expected to increase, but the net effect created by the total activity is unknown.

## Text of Proposed Law

his initiative measure proposes to add new provisions to the law. Therefore, the new provisions proposed to be added are printed in *italic type* to indicate that they are new.

### PROPOSED LAW

First—That Chapter 4.5 (commencing with Section 19700) is added to Division 8 of the Business and Professions Code, to read:

#### CHAPTER 4.5 GREYHOUND DOGRACING

##### Article 1. Definitions

19700. This chapter is known and may be cited as the Greyhound Racing Law.

19701. The purpose of this chapter is to regulate the racing of greyhounds in this state, to permit parimutuel wagering on greyhound races in this state and to raise revenue for the public benefit.

19702. As used in this chapter the following terms are defined as follows:

(a) "Racing association" means any person engaged in the conduct of a greyhound race meeting licensed by the commission.

(b) "Breakage" means the odd cents by which the amount payable on each dollar wagered exceeds a multiple of five cents (\$0.05).

(c) "Cal-bred greyhound" means a greyhound sired and whelped within California and which spent the entire nine months immediately following birth in California and whose sire and brood matron are registered by the registry as standing in California.

(d) "Charity days" means racing days granted to a licensed racing association for the purpose of contributing net proceeds from such days to charitable organizations. Charity days are part of a regular race meeting and do not constitute a separate meeting.

(e) "Commission" means the California Greyhound Racing Commission.

(f) "Greyhound" means a pure-bred greyhound dog that engages in a contest of speed and endurance.

(g) "Greyhound racing" means any race in which two or more greyhounds engage in a contest of speed or endurance, or pursue a mechanical lure.

(h) "Inclosure" means all areas of a racing association's grounds to which admission can be obtained only by payment of an admission fee or upon presentation of authorized credentials.

(i) "Inclosure—public" means the areas of a racing association to which the public is admitted upon payment of admission fees or authorized credentials, but excluding restricted areas such as the racing strip, the receiving kennel, and the area in which the greyhounds are housed.

(j) "Parimutuel" means a form of wagering on the outcome of races in which those who wager purchase tickets of various denominations on a greyhound or greyhounds and all wagers for each race are pooled and held by the racing association for distribution. When the outcome of the race has been decided, the racing association distributes the total wagers comprising the pool, less the percentage allowed the state, the racing association licensee, and for purses, to holders of tickets on the winning greyhound or greyhounds.

(k) "Parimutuel pool" means the total money wagered by patrons and held by the racing association, under the parimutuel system, on any greyhound or greyhounds in a particular race. There are separate parimutuel pools for win, place and show and for daily double, quinella, or other multiple wagers when used.

(l) "Person" includes any individual, partnership, corporation, or other association or organization.

(m) "Racing days" are days on which a licensed racing association is authorized by the commission to conduct greyhound racing. "One racing day" shall mean a 24-hour period commencing 12:01 a.m. through 12 midnight.

(n) "Registry" means an organization to record the breeding and identification of greyhounds racing in California.

(o) "Secretary" means the Executive Secretary of the California Greyhound Racing Commission.

##### Article 2. General Administration and Enforcement

19703. Jurisdiction and supervision over meetings in this state where greyhound races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Greyhound Racing Commission which is hereby created. The commission shall have all powers necessary to enable it to carry out fully the purposes of this chapter.

19704. The commission shall consist of five members. The initial commission shall be composed of five members appointed on the following basis:

(a) One member selected by the Governor.

(b) One member selected by the Lieutenant Governor.

(c) One member selected by the Chairman of the Joint Rules Committee.

(d) One member selected by the Chairman of the Assembly Governmental Organization Committee.

(e) One member selected by the Governor from a list containing the names of at least six people submitted by any California association, solely active in greyhound and greyhound racing activities for at least two (2) years prior to passage of this initiative and whose membership consists of a substantial number of California breeders and owners of racing greyhounds.

Notification of appointments to the initial commission shall be made to the Governor by November 17, 1976. The Governor shall be responsible for the implementation of the commission. The initial commission shall serve until December 31, 1978, at which time a new commission shall be appointed by the Governor. The terms of the successor members shall commence on January 1, 1979, and shall terminate as follows:

(a) One member on December 31, 1981.

(b) Two members on December 31, 1982.

(c) Two members on December 31, 1983.

Each member appointed thereafter shall be appointed by the Governor and shall hold office for a term of four years, commencing at the expiration of the previous term. Any vacancy occurring during a term shall be filled by the Governor for the unexpired term. Each member shall be eligible for reappointment in the discretion of the Governor.

19705. The California Greyhound Racing Commission shall convene at Los Angeles, California, not later than November 24, 1976. The commission members shall at that time elect a chairman and a vice chairman. Adequate temporary facilities shall be provided by the Department of General Services. The commission shall commence taking applications for racing association licenses beginning December 3, 1976, and shall continue to take racing association license applications until December 15, 1976. Where no application for a racing association license is received by the commission for an eligible county, the commission shall extend or designate additional or other time periods to receive such applications. Within seven days of December 15, 1976, the commission shall schedule a hearing, open to the public, for review of submitted applications. Racing association licenses shall be awarded to applicants who demonstrate that their conduct of greyhound racing would be consistent with all of the provisions of this measure.

19706. A person is disqualified from membership on the commission for any of the following reasons:

(a) Holding any financial interest in a greyhound racetrack or in the operation of any such track within this state, or in the operation of authorized wagering on the results of greyhound races.

(b) Accepting any pecuniary reward from any greyhound racetrack in this state or in respect to its operation or the operation of authorized wagering on the results of greyhound races.

(c) Holding any financial interest in the commercial breeding, training, or racing of racing greyhounds.

19707. Each member of the commission shall have been a resident of this state for one year next preceding his appointment.

19708. The Governor may remove any member of the commission for just cause upon first providing the member a copy of the charges against such member and an opportunity to be heard.

19709. The members of the commission shall serve without compensation.

Each member of the commission shall receive the necessary traveling expenses incurred in the performance of the member's official duties and per diem allowances.

19710. The commission shall appoint an executive secretary and may employ such other employees as it deems necessary to carry out its functions under this chapter and prescribe their compensation and duties in accordance with civil service laws.

19711. The salaries of the executive secretary and other employees of the commission, and the necessary traveling and other expenses of the executive secretary and members of the commission, shall be paid monthly by the State Treasurer on the warrant of the State Controller and the certification of the chairman of the commission out of the money appropriated for that purpose.

19712. The executive secretary shall keep a full and true record of all proceedings of the commission, preserve at the commission's general office all books and papers of the commission, prepare for service such notices and other papers as may be required of him by the commission and perform such other duties as the commission may prescribe.

Continued on page 61

## Argument in Favor of Proposition 13

Proposition 13 provides the right to wager on greyhound dog races—similar to our present horse races—and deserves your "YES" vote if only for one reason; the PUBLIC should decide if they want to go to the dog races, not big-money Las Vegas and California gambling interests who up until now have denied California citizens the right of free choice.

Economically, greyhound racing will be a boon to the State of California providing at least \$60 million a year in new tax revenue. \$45 million will be directed to aid:

- \* High School Athletics      An average of \$8,000 for every public high school each year supporting sports programs for both boys and girls
- \* Day Care Centers      \$4 million yearly to maintain existing and open new child care centers for working mothers.
- \* Senior Citizens Aid      \$6 million yearly for hot meal and transportation programs
- \* Handicapped and Diseased Children      To combat children's diseases as well as provide treatment and equipment for the physically and mentally handicapped: \$10 million yearly
- \* Cancer & Heart Research      \$4 million yearly
- \* Juvenile Delinquency Prevention      \$4 million
- \* Bi-Lingual Education      \$2 million

The remaining \$15 million will go to cities and counties to ease their tax burdens.

**THESE BENEFITS AND REVENUES WILL NOT COST THE TAXPAYER ONE SINGLE PENNY.**

Thousands of new jobs will be created by this exciting, low-cost sport and over **\$100 MILLION** of private funds will be spent in building the new racing facilities.

Greyhound dogs are born to run and, while greyhound racing has always been legal in California (the right to wager is the issue), proposition 13 imposes humane safeguards i.e. makes it a crime to train a racing greyhound with any live animal or to destroy a dog when his racing career is over. No greyhound ever trained with live animals can ever race in California and the enclosed kennel compounds insure that these laws may be realistically supervised. Special funds are provided in the measure to create a greyhound retirement farm.

Over 16 million paying fans in nine states made greyhound racing the 7th most popular sport in the United States.

The new Greyhound Racing Commission created by the measure will impose the most rigid controls and requirements for those involved in the new industry. The measure mandates and requires by law only those of the most scrupulous honesty and background can participate.

Who will be spending millions of dollars to oppose this measure? Powerful Las Vegas gambling interests and California horse tracks concerned only in protecting their monopoly and the continual feathering of their nest at the expense of our senior citizens, handicapped children, high school athletics, day care centers and medical research. "Yes" on proposition 13 provides the opportunity for the average citizen to be heard.

Proposition 13 has wide-ranging support of woman's groups, athletic organizations, taxpayer groups, organized labor, charitable organizations and minority groups. Your "YES" vote will provide thousands of new jobs, free enterprise, and tax relief for those who need it most.

**ROBERT M. KARNs, M.D.**

**MICHAEL S. McFARLAND**  
*President, California Association of  
Animal Control Officers*

**JAMES S. LEE**  
*President, State Bldg. & Const. Trades  
Council of California*

## Rebuttal to Argument in Favor of Proposition 13

Law enforcement, education, civic and humane organizations throughout the state recommend a **NO** vote on Proposition 13. They are convinced that the promoters' talk about worthy programs is window dressing designed to distract attention from special interest giveaways in Proposition 13.

The promise of "new tax revenues" is a perversion of the truth. Proposition 13 requires **spending** your tax dollars on new and bigger bureaucracy. It provides **no tax relief**. Worse, Proposition 13 could actually reduce current state General Fund revenues, forcing taxpayers to make up the difference.

**THERE'S MORE TO PROPOSITION 13 THAN THE PROMOTERS ARE TELLING YOU:**

- \* Promoters expect to collect more than \$1,000,000,000 in bets annually from gambling operations and Proposition 13 would let them keep \$97,000,000 a year for themselves.
- \* For every dollar that might go in token payment to cancer research, promoters would pocket \$48.
- \* The minimal revenue Proposition 13 would provide to cities and counties would be eaten up by the extra police, traffic and nuisance control expenses dog tracks always bring.

- \* Proposition 13 even prevents dog racing taxes from being raised in the future—a real tax shelter for the promoters.

**PROPOSITION 13 WOULD BRING . . .**

- . . . more government spending
- . . . more crime
- . . . an inside track for hidden gambling interests to reap huge profits
- . . . cruel treatment of animals
- . . . damage to California communities

This is the reality hidden in the fine print of Proposition 13. It deserves a **NO** vote.

**WILSON RILES**  
*Superintendent of Public Instruction  
State of California*

**PETER J. PITCHESS**  
*Sheriff of Los Angeles County*

**PETE WILSON, Mayor**  
*President, League of California Cities*

## Argument Against Proposition 13

**Proposition 13**—The Greyhound Racing Initiative—is a hoax designed to enrich one promoter at the expense of 20,000,000 Californians.

**Proposition 13**—the latest in a long series of attempts to obtain a foothold for greyhound gambling interests in California—was drafted by promoter George Hardie. The provisions of this measure are clearly designed to give Mr. Hardie and his associates a virtual monopoly on dog racing in California.

By their own estimates, the promoters stand to make upwards of \$55,000,000 a year if Proposition 13 is enacted. What will the people of California get?

**HIGHER TAXES**—Proposition 13 provides not one penny in additional revenue for the State's General Fund—the major source of funding for essential state services, including education. Since parimutuel greyhound racing will increase state law enforcement and administrative costs and create a possible reduction in General Fund revenues from horse racing, other taxpayers will be left with increased burdens.

**A SERIOUS CRIME PROBLEM**—Greyhound betting is not entirely new to California. It was legalized in the 1930's and, according to an editorial published in January of 1975 by the Sacramento Bee, soon became so corrupt it was abolished. On numerous occasions, the Legislature has carefully examined and rejected efforts to bring back greyhound gambling. Experience has shown that local communities will be subject to increased incidence of burglaries, bookmaking, loan sharking and other by-products of the dog racing world. In addition, law enforcement would be required to devote scarce manpower to traffic duty, crowd control and security measures to protect greyhound patrons. Most importantly, parimutuel greyhound racing would present a real opportunity for organized crime to obtain a foothold in California.

**INHUMANE TREATMENT OF ANIMALS**—Greyhound racing is characterized by its callous treatment of animals. Live rabbits are used as bait to train dogs to run. A greyhound must learn to kill before it can learn to race. Since only one in ten greyhounds makes the grade as a racer, thousands of dogs are left to be destroyed. According to The Humane Society of the United States, about 80 percent of the dogs bred for racing in this country are killed before they ever see a track. Proposition 13 gives lip service to protecting the animals, but actually does nothing to prevent cruel breeding and training practices.

**MORE STATE BUREAUCRACY**—In an effort to sugarcoat the Greyhound Initiative, Mr. Hardie has earmarked a small portion of the greyhound parimutuel revenue to go to non-existent funds for such worthwhile purposes as cancer research. In reality, these badly drafted provisions of Proposition 13 would set up a series of new state programs whose funds would be eaten up by administrative costs. Thus, the minimal public revenue contained in Proposition 13 would be absorbed in red tape and administrative costs.

Proposition 13 is bad government. It invites corruption and higher taxes without any benefit to the people of California.

Proposition 13—the Greyhound Gambling Hoax—deserves a NO vote.

**WILSON RILES**  
*Superintendent of Public Instruction*  
*State of California*

**PETER PITCHESS**  
*Sheriff of Los Angeles County*

**PETE WILSON, Mayor**  
*President, League of California Cities*

## Rebuttal to Argument Against Proposition 13

It is obvious that the sincere but misguided officials who signed the argument against Proposition 13 didn't even read it, otherwise they never could have endorsed the outright lies and innuendoes of the greedy horse racing monopoly and their desperate partners, the gambling interests in Nevada.

The opposition has hired a professional public relations firm notorious for peddling political chicanery to the highest bidder, and it is apparent that their strategy is to avoid discussing greyhound racing on its merits, or the need for new construction, thousands of new jobs, or many vital services which would be provided senior citizens, youth, disadvantaged, minorities, working mothers and medical research.

Reading their argument, you would assume greyhound racing is illegal in California. This is absolutely untrue. Proposition 13 merely authorizes pari-mutuel wagering and establishes firm controls under the jurisdiction of an impartially appointed Greyhound Racing Commission. Charges that greyhound racing will attract criminals and undesirables are patently absurd. If horse racing has stayed criminal-free greyhound racing also can.

Contrary to opposition insinuation, there is no way George Hardie could control greyhound racing, even if he wanted to. Mr. Hardie is merely spokesman for a respectable industry which deserves the same privileges in California as horse racing.

We believe voters will see through the hypocritical tactics of the horse racing monopoly and Nevada gambling interests, both determined to deprive Californians of the right to enjoy greyhound racing if they desire.

Vote against greed and monopoly. Vote YES ON 13.

**ROBERT M. KARNS, M.D.**

**MICHAEL S. McFARLAND**  
*President, California Association of*  
*Animal Control Officers*

**JAMES S. LEE**  
*President, State Building and Construction*  
*Trades Council of California*

## Ballot Title

**AGRICULTURAL LABOR RELATIONS. INITIATIVE STATUTE.** Repeals Agricultural Labor Relations Act of 1975; reenacts as Agricultural Labor Relations Act of 1976. Makes technical amendments to maintain status quo under 1975 Act, except requires new appointments to Agricultural Labor Relations Board. Additional amendments require: access for union organizers to property of employers for certain periods; minimum of 50% of employees to petition for decertification of union; Legislature to provide appropriations necessary to carry out the Act; Board to provide employer-supplied lists of agricultural employees to persons involved in elections. Permits Board to award treble damages for unfair labor practices. Financial impact: Proposition would result in minor, if any, increased costs to the state.

## Analysis by Legislative Analyst

**PROPOSAL:****Background:**

The Agricultural Labor Relations Act of 1975, which became effective August 28, 1975, gives agricultural workers the right to select and join unions of their own choosing for purposes of bargaining collectively with their employer and to participate in lawful union activities. These rights are similar to those given to nonagricultural workers in private employment under the National Labor Relations Act.

The Agricultural Labor Relations Act of 1975 created a General Counsel and a five-member Agricultural Labor Relations Board. The board holds elections for agricultural workers to select the union of their choice. The counsel takes legal action against unions or employers which engage in unfair labor practices prohibited by the act such as discriminating against an employee for exercising his free choice to join a union and the failure of either party to bargain in good faith.

The board establishes rules and regulations for implementing the act. It also settles disputes regarding the holding of elections and charges of unfair labor practices. The board has the power to prescribe remedies in unfair labor practice cases and may direct the offending party to compensate injured parties for certain losses. Such remedies may include job reinstatement and restoration of lost wages. The board enforces its orders by court proceedings.

The board established under the 1975 law ran out of money in February 1976. Its program was stopped for the remainder of the 1975-76 fiscal year because no additional funding was provided. Funding after July 1, 1976 is now included in the 1976 Budget Act.

This proposition repeals and reenacts the Agricultural Labor Relations Act, retaining most of its basic features with the following modifications:

1. Provides for the appointment of a new Agricultural Labor Relations Board with new terms of office.
2. Authorizes union organizers to enter an employer's property for purposes of campaigning for an election. The period of access would be limited to three hours per day at specified times. This provision is similar to a regulation, established by the existing board, which has the effect of law.

3. Provides that a new election cannot be held if, in addition to other conditions, an election was held under existing law within the twelve months immediately preceding the filing for the new election.
4. Requires the board to make lists of employees available to persons who file notices of intention to petition for elections. The board obtains such lists from employers to determine workers' eligibility to participate in an election to select a union.
5. Allows the board to order payment of treble damages as a penalty for an unfair labor practice.
6. Makes it more difficult to hold an election to remove a union which has previously won election and which has been certified as the official bargaining representative of a designated group of workers. Petitions for holding such elections would require the signatures of 50 percent rather than 30 percent of the workers.
7. Directs the Legislature to appropriate sufficient funds to allow the board to fulfill its responsibilities. The Legislative Counsel advises that this provision is directory, not mandatory upon the Legislature and does not constitute an appropriation. Therefore, regardless of its intent, it would not bind the Legislature to appropriate any specific amount of money.

**FISCAL EFFECT:**

The Budget Act of 1976 appropriates \$6,688,000 from the General Fund for the administration of the Agricultural Labor Relations program during the 1976-77 fiscal year. Because this proposition largely reenacts provisions of existing law, it would not result in any significant increased cost to the state. Some features which differ from existing law would result in minor increased state costs, and others would result in savings. Any net increased cost could be absorbed within the amount currently budgeted to the board.

Because the proposition would not legally bind the Legislature to appropriate any specific amount of money for the board, the level of funding in future years would be determined by the Governor and Legislature through the state's regular budget process. In summary, the proposition would result in minor, if any, increased costs to the state.

## Text of proposed law

This initiative measure proposes to repeal and add Part 3.5 of Division 2 of the Labor Code. Therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions to be added are printed in *italic type* to indicate that they are new.

### PROPOSED LAW

**SECTION 1.** In enacting this legislation the people of the State of California seek to ensure peace in the agricultural fields by guaranteeing justice for all agricultural workers and stability in labor relations.

This enactment is intended to bring certainty and a sense of fair play to a presently unstable and potentially volatile condition in the state. The people recognize that no law in itself resolves social injustice and economic dislocations.

However, in the belief the people affected desire a resolution to this dispute and will make a sincere effort to work through the procedures established in this legislation, it is the hope of the people that farm laborers, farmers, and the State of California will be served by the provisions of this act.

**SEC. 1.5.** It is the intent of the people that collective-bargaining agreements between agricultural employers and labor organizations representing the employees of such employers entered into prior to August 28, 1975 and continuing beyond such date are not to be automatically canceled, terminated or voided on the effective date of this initiative; rather, such a collective-bargaining agreement otherwise lawfully entered into and enforceable under the laws of this state shall be void upon the Agricultural Labor Relations Board certification of that election after the filing of an election petition by such employees pursuant to Section 1156.3 of the Labor Code.

**SEC. 2.** Part 3.5 (commencing with Section 1140) is added to Division 2 of the Labor Code, to read:

#### PART 3.5. AGRICULTURAL LABOR RELATIONS

##### CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

**0.** This part shall be known and may be referred to as the ~~Agricultural Labor Relations Act of 1976.~~

**1140.2.** It is hereby stated to be the policy of the State of California to encourage and protect the right of agricultural employees to full freedom of association, self-organization, and designation of representatives of their own choosing, to negotiate the terms and conditions of their employment, and to be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. For this purpose this part is adopted to provide for collective-bargaining rights for agricultural employees.

**1140.4.** As used in this part:

(a) The term "agriculture" includes farming in all its branches, and, among other things, includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in Section 1141(j)(g) of Title 12 of the United States Code), the raising of livestock, bees, furbearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market and delivery to storage or to market or to carriers for transportation to market.

(b) The term "agricultural employee" or "employee" shall mean one engaged in agriculture, as such term is defined in subdivision (a). However, nothing in this subdivision shall be construed to include any person other than those employees excluded from the coverage of the National Labor Relations Act, as amended, as agricultural employees, pursuant to Section 2(3) of the Labor Management Relations Act (Section 152(3), Title 29, United States Code), and Section 3(f) of the Fair Labor Standards Act (Section 203(f), Title 29, United States Code).

Further, nothing in this part shall apply, or be construed to apply, to any employee who performs work to be done at the site of the construction, alteration, painting, or repair of a building, structure, or other work (as these terms have been construed under Section 8(e) of the Labor Management Relations Act, 29 USC Section 158(e)) or mining or timber-clearing operations in initial preparation of land for mining, or who does land leveling or only land surveying for any of the above.

As used in this subdivision, "land leveling" shall include only major land moving operations changing the contour of the land, but shall

not include annual or seasonal tillage or preparation of land for cultivation.

(c) The term "agricultural employer" shall be liberally construed to include any person acting directly or indirectly in the interest of an employer in relation to an agricultural employee, any individual grower, corporate grower, cooperative grower, harvesting association, hiring association, land management group, any association of persons or cooperatives engaged in agriculture, and shall include any person who owns or leases or manages land used for agricultural purposes, but shall exclude any person supplying agricultural workers to an employer, any farm labor contractor as defined by Section 1682, and any person functioning in the capacity of a labor contractor. The employer engaging such labor contractor or person shall be deemed the employer for all purposes under this part.

(d) The term "person" shall mean one or more individuals, corporations, partnerships, associations, legal representatives, trustees in bankruptcy, receivers, or any other legal entity, employer, or labor organization having an interest in the outcome of a proceeding under this part.

(e) The term "representatives" includes any individual or labor organization.

(f) The term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists, in whole or in part, for the purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work for agricultural employees.

(g) The term "unfair labor practice" means any unfair labor practice specified in Chapter 4 (commencing with Section 1153) of this part.

(h) The term "labor dispute" includes any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee.

(i) The term "board" means Agricultural Labor Relations Board.

(j) The term "supervisor" means any individual having the authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or the responsibility to direct them, or to adjust their grievances, or effectively to recommend such action, if, in connection with the foregoing, the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

##### CHAPTER 2. AGRICULTURAL LABOR RELATIONS BOARD

###### Article 1. Agricultural Labor Relations Board: Organization

**1141.** (a) There is hereby created in state government the Agricultural Labor Relations Board, which shall consist of five members.

(b) The members of the board shall be appointed by the Governor with the advice and consent of the Senate. The term of office of the members shall be five years, and the terms shall be staggered at one-year intervals. Upon the initial appointment, one member shall be appointed for a term ending January 1, 1978, one member shall be appointed for a term ending January 1, 1979, one member shall be appointed for a term ending January 1, 1980, one member shall be appointed for a term ending January 1, 1981, and one member shall be appointed for a term ending January 1, 1982. Any individual appointed to fill a vacancy of any member shall be appointed only for the unexpired term of the member to whose term he is succeeding. The Governor shall designate one member to serve as chairperson of the board. Any member of the board may be removed by the Governor, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause.

**1142.** (a) The principal office of the board shall be in Sacramento, but it may meet and exercise any or all of its power at any other place in California.

(b) Besides the principal office in Sacramento, as provided in subdivision (a), the board may establish offices in such other cities as it shall deem necessary. The board may delegate to the personnel of these offices such powers as it deems appropriate to determine the unit appropriate for the purpose of collective-bargaining, to investigate and provide for hearings, to determine whether a question of representation exists, to direct an election by a secret ballot pursuant to the provisions of Chapter 5 (commencing with Section 1156), and to certify the results of such election, and to

Continued on page 65

## Argument in Favor of Proposition 14

The right to vote is one of our most cherished rights. And yet, as we celebrate our bicentennial, the right to vote is still at issue for the quarter million men, women and children in California who harvest the food we eat.

In 1935, when Congress granted working people the right to organize and choose their representatives by secret ballot elections, agribusiness persuaded lawmakers to deny those rights to farm workers.

Last year, Governor Brown decided to end forty years of discrimination by granting farm workers the same rights as other workers. So he sponsored the Agricultural Labor Relations Act which was endorsed by agribusiness, the Teamsters Union and the United Farm Workers.

The law was passed by the legislature—and it worked!

Gone were the bloodshed and violence which were part of California agribusiness since the turn of the century. There were no strikes or strife in the fields; more than 400 elections were held.

Yet within five months—after losing 93 per cent of the elections—agribusiness demanded crippling changes in the law before legislators provided funds necessary to continue the voting.

The Teamsters Union, which had won only one-third of the elections, also lobbied to halt the balloting.

The California legislature was not strong enough to

stand up to agribusiness-Teamster power and to permanently guarantee all of the people the most sacred American right—the right to vote.

The farm workers' only alternative was to bypass the politicians in Sacramento and to go directly to you, the people. They ask you to permanently guarantee their right to vote.

You can guarantee an end to the terrible hardships farm workers and their families have suffered. You can end squalid labor camps, malnourished farm worker children, and hazardous working conditions in the fields. Then farm workers need no longer face a life span far shorter than those of other Americans.

Proposition 14 asks you, the people of California, to act so that those who work in our fields are never again deprived of their right to vote. Your "yes" vote for Proposition 14 will assure that.

**CESAR CHAVEZ, President**  
*United Farm Workers of America, AFL-CIO*

**MERVYN DYMALLY**  
*Lieutenant Governor of California*

**RICHARD ALATORRE**  
*Member of the Assembly, 55th District*  
*Coauthor, Agricultural Labor Relations Act*

## Rebuttal to Argument in Favor of Proposition 14

Passage of Proposition 14 would be an injustice to farmworkers, consumers and employers alike.

The issue is not the right of farmworkers to vote on union representation. Farm workers already have that right.

The issue is casting in concrete a farm labor law which simply hasn't been workable for either labor or management. Both sides have sought and are seeking changes.

Labor relations must be flexible. If the proposition passes, both labor and management will be burdened with a law which can be changed only by another initiative or another ballot measure.

Federal labor law has been successful in protecting rights of employees and employers because Congress has responded to necessary change as times changed. The California Legislature deserves the same opportunity. Tying its hands isn't good common sense.

Consumers, as well as workers and employers, will suffer if Proposition 14 passes. If the proposition passes, California farmers will be burdened with restrictions which farm and non farm employers elsewhere in the United States are not burdened with. The probable harm to consumers—interference with the flow of farm products to market, an increase in the price of farm products—is clear enough.

Don't be fooled by the misleading emotional appeals of the proponents of Proposition 14. Its passage will have disastrous consequences for everyone.

**KENNETH L. MADDY, Republican**  
*Member of the Assembly, 30th District*

**JOHN GARAMENDI, Democrat**  
*Member of the Assembly, 7th District*

**HARRY KUBO, President**  
*Nisei Farmers League*



## Argument Against Proposition 14

Proposition 14 is a hastily conceived and fiscally irresponsible abuse of your initiative process. California law (the Agricultural Labor Relations Act of 1975) already provides for the gains which the proponents of the initiative seek, subject to the responsible oversight and budgetary control of the legislature.

This initiative repeals the existing law, removing all legislative controls over it and mandating the legislature to spend whatever money necessary to administer the new law, notwithstanding any fiscal irresponsibility demonstrated by the Agricultural Labor Relations Board. The terms of the ALRA of 1976 could be changed only by repeating the expensive and cumbersome initiative process.

A NO Vote is imperative for the following reasons:

**Inflexibility.** The governor, legislators and the past chairman and current members of the ALRB have all acknowledged that the current law will have to be changed, perhaps often, to meet the needs of employees, employers and labor organizations. This initiative prevents the legislature from making such changes, since any modifications in the law require additional initiatives which can be presented only every two years or by a costly special election held at the direction of the governor. Such inflexibility is fatal because labor relations legislation must respond to the changing needs and relationships of all parties. This has been true of all other federal and state labor relations laws.

**Fiscal Irresponsibility.** The initiative contains the following language:

"SEC. 3. The Legislature shall appropriate such amounts to the Agricultural Labor Relations Board as may be necessary to carry out the provisions of this part."

This apparent attempt at "blank check" financing for

the agency which grossly overspent its 1975-1976 budget in less than six months could mean cuts in other vital state programs and would have an indeterminate effect on the tax bill for California's citizens.

**Basic Property Rights Would Be Destroyed.** The initiative makes the infamous "access rule," a regulation still under judicial challenge before the U. S. Supreme Court, a permanent part of the law. Thus, nonemployee union organizers could trespass on private property, enter dairies, greenhouses, poultry production facilities, farms or other agricultural private property for up to three hours every working day without permission of the property owner, regardless of risks to health, safety and sanitation. The initiative allows this invasion of private property even though organizers engage in "disruptive conduct"—a frightening and dangerous precedent leading to the further erosion and destruction of property rights of all citizens.

**Duplication.** The issue here is not whether farm workers should have the right to decide which union, if any, should represent them. That right exists under present law. The issue is whether the existing law will continue under the responsible substantive and budgetary control of elected representatives.

Food production is too vital to California and the nation, and agriculture too essential to the state's economy to permit such a cumbersome and impractical method of resolving agricultural labor relations issues.

KENNETH L. MADDY, *Republican*  
Member of the Assembly, 30th District

JOHN GARAMENDI, *Democrat*  
Member of the Assembly, 7th District

HARRY KUBO, *President*  
Nisei Farmers League

## Rebuttal to Argument Against Proposition 14

When agribusiness agreed to support Governor Brown's compromise farm labor law in May, 1975, all sides pledged to give the law a chance to work.

But agribusiness didn't like the way farm workers voted; growers lost 93 percent of the elections.

So, despite its earlier pledge, agribusiness demanded crippling changes in the law, including one denying the vote to many seasonal workers.

Agribusiness could not persuade a majority of legislators to support the changes it wanted. But a one-third minority of lawmakers can block appropriations. So California's richest industry used a cynical legislative minority to cut off funds for elections.

On February 6, farm worker voting suddenly came to a halt; Farm Labor Board offices shut down, and elections staff was laid off. The spring and summer harvests passed without farm workers having the right to vote.

The law has been funded this year only because agribusiness fears Proposition 14. Without Proposition 14, Governor Brown's farm labor law would be dead

today. If Proposition 14 fails, growers will block funds for elections next year.

Agribusiness attacks the access rule—allowing workers to speak with organizers during non-working hours—but fails to say the rule has been upheld by the California Supreme Court.

The argument that Proposition 14 robs legislators of funding power is sheer fiction. The legislature retains final authority over appropriations.

Proposition 14 became necessary because agribusiness killed elections earlier this year. Only your vote for Proposition 14 will permanently ensure voting rights for farm workers.

CESAR CHAVEZ, *President*  
United Farm Workers of America, AFL-CIO

MERVYN DYMALLY  
Lieutenant Governor of California

RICHARD ALATORRE  
Member of the Assembly, 55th District  
Co-Author, Agricultural Labor Relations Act



# Chiropractors, Board of Examiners. Licensing Requirements— Legislative Initiative Amendment

## Ballot Title

**CHIROPRACTORS, BOARD OF EXAMINERS. LICENSING REQUIREMENTS. LEGISLATIVE INITIATIVE AMENDMENT.** Amends initiative statute relating to chiropractors to provide for addition of two public members to State Board of Chiropractic Examiners. Requires chiropractic school or college to be accredited by Council on Chiropractic Education, or equivalent, before graduates thereof are eligible to apply for chiropractic licenses. Increases minimum educational requirements necessary to practice chiropractic to include, among others, 60 prechiropractic college credits. Authorizes Board to accept diplomate certificate and results of National Board of Chiropractic Examiners examination in lieu of all or part of California Board examination. Financial impact: Insignificant.

## FINAL VOTE CAST BY LEGISLATURE ON SB 1416 (PROPOSITION 15)

Assembly—Ayes, 67  
Noes, 0

Senate—Ayes, 22  
Noes, 1

## Analysis by Legislative Analyst

### PROPOSAL:

This proposition increases the members of the Board of Chiropractic Examiners from five to seven and requires that both of the new members be from the general public, that is, not licensed chiropractors. The proposition also makes minor changes in: (1) the eligibility requirements for an approved chiropractic

school or college and (2) the license application period, and the education and examination requirements for state licensing of chiropractors.

### FISCAL EFFECT:

The net fiscal effect of the measure on state or local government would be insignificant.

# Chiropractors, Board of Examiners. Licensing Requirements— Legislative Initiative Amendment

15

## Argument in Favor of Proposition 15

This is a good law intended to better preserve and protect California citizens' most important asset—their health. This law will help assure that Doctors of Chiropractic continue to meet the high standards of excellence and competence they must possess to treat you, the consumer patient.

Your "Yes" vote on this proposition will give consumers a direct voice in health matters by adding two public members to the State Board of Chiropractic Examiners. The chiropractic profession is one of the first to recognize the need for public input and the only profession to voluntarily request legislation to accomplish this. The two new members added will be consumers appointed by the Governor.

Passage of this proposition will mean that in order to become a chiropractic doctor, a person must have attended and graduated from a chiropractic college that is accredited by a competent, professional, nationally recognized, independently constituted organization. This organization, the Council on Chiropractic Education, is approved by the United States Office of Education and the United States Department of Health, Education and Welfare as the only official accrediting agency for chiropractic colleges. If for any reason this accrediting agency goes out of existence, the State Board retains the power to adopt similar standards through another agency or independently. California is one of only three or four states that has not yet adopted this standardized accrediting method.

This law strengthens the State Board's ability to demand higher standards of doctors; it does not remove authority but does give flexibility.

This proposition will guarantee the high scholastic requirements for admission to chiropractic colleges. This assures that doctors treating you will be competent and well-trained so as to be of greater help with your health needs.

This proposition will help chiropractic students by eliminating unnecessary duplication of testing. If in the opinion of the California State Board the testing standards of the National Board of Chiropractic Examiners are sufficiently high and a student has passed that test, that student would not be required to take a California state test which is practically identical.

This proposition is supported by the California State Board of Chiropractic Examiners, the California Chiropractic Association, the Federation of Chiropractic Licensing Boards, the National Board of Chiropractic Examiners, and the American Chiropractic Association. The California State Legislature overwhelmingly approved this proposition. Your "Yes" vote is now needed to make this proposition law.

**ALBERT S. RODDA**  
*Member of the Senate, 5th District*

**KENNETH D. ALLEN, D.C.**  
*President, California Chiropractic Association*

**CYNTHIA E. PREISS, D.C.**  
*President, California Board of Chiropractic Examiners*

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**No argument against Proposition 15 was submitted**

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**Text of Proposition 15 appears on page 77**

## TEXT OF PROPOSITION 1—continued from page 7

part, and are hereby incorporated in this part as though set forth in full herein.

41809. As used in this part and for purposes of the State General Obligation Bond Law, Chapter 4 (commencing with Section 16720) of Part 3, Division 4, Title 2 of the Government Code, the following terms shall have the following meanings:

(a) "Bond" means a state general obligation bond issued pursuant to this part and known as a state housing finance bond.

(b) "Board" means the Board of Directors of the California Housing Finance Agency.

(c) "Committee" means the Housing Bond Credit Committee created by Section 41707.

(d) "Fund" means the General Obligation Bond Account -- the California Housing Finance Fund created by Section 41804.

## TEXT OF PROPOSITION 2—continued from page 11

5096.115. There shall be collected each year and in the same manner and at the same time as other state revenue is collected such sum in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on said bonds maturing in said year, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of said revenue to do and perform each and every act which shall be necessary to collect such additional sum.

5096.116. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this act, such an amount as will equal the following:

(a) Such sum annually as will be necessary to pay the principal and interest on bonds issued and sold pursuant to the provisions of this chapter, as said principal and interest become due and payable.

(b) Such sum as is necessary to carry out the provisions of Section 5096.117, which sum is appropriated without regard to fiscal years.

5096.117. For the purposes of carrying out the provisions of this chapter the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the State, Urban, and Coastal Park Fund or the State Coastal Conservancy, which depositories are hereby created. Any moneys made available under this section shall be returned to the General Fund from moneys received from the sale of bonds sold for the purpose of carrying out the provisions of this chapter.

5096.118. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the State, Urban, and Coastal Park Fund or the State Coastal Conservancy. The money in such depositories may be expended only for the purposes specified in this chapter and only pursuant to appropriation by the Legislature in the manner hereinafter prescribed.

5096.119. All proposed appropriations for the program specified in Section 5096.124 shall be included in a section in the Budget Bill for each fiscal year for consideration by the Legislature, and shall bear the caption "Nefedly-Hart State, Urban, and Coastal Park Bond Act Program." The section shall contain separate items for each project for which an appropriation is made.

All proposed appropriations for purposes specified in Section 5096.125 shall be included in a section of the Budget Bill for each fiscal year for consideration by the Legislature, and shall bear the caption "State Coastal Conservancy." The section shall contain separate items for each project for which an appropriation is made.

Such appropriations shall be subject to all limitations contained in the Budget Bill and to all fiscal procedures prescribed by law with respect to the expenditure of state funds unless expressly exempted from such laws by a statute enacted by the Legislature. Such sections shall contain proposed appropriations only for the programs contemplated by this chapter, and no funds derived from the bonds authorized by this chapter may be expended pursuant to an appropriation not contained in such sections of the Budget Act.

5096.120. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3, Division 4, Title 2 of the Government Code) and all of the provisions of that law are applicable to the bonds and to this chapter, and are hereby incorporated in this chapter as though set forth in full herein.

5096.121. The State Park and Recreation Finance Committee is hereby created. The committee consists of the Governor, the State Controller, the Director of Finance, the State Treasurer, and the Secretary of the Resources Agency. For the purposes of this chapter the State Park and Recreation Finance Committee shall be "the committee" as that term is used in the State General Obligation Bond Law. The Secretary of the Resources Agency is hereby designated as "the board" for the purposes of this chapter and for the purposes of the State General Obligation Bond Law.

5096.122. All money deposited in the State, Urban, and Coastal Park Fund or the State Coastal Conservancy which is derived from premium and accrued interest on bonds sold shall be reserved in such depositories and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

5096.123. As used in this chapter and for the purposes of this chapter as used in the State General Obligation Bond Law, the

following words shall have the following meanings:

(a) "State grant" or "state grant moneys" means moneys received by the state from the sale of bonds authorized by this chapter which are available for grants to counties, cities, and districts for acquisition, development, or restoration of real property for park, beach, recreational, and historical resources preservation purposes.

(b) "District" means any district authorized to provide park and recreation services, except a school district.

(c) "Historical resource" includes, but is not limited to, any building, structure, site, area, or place which is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California.

(d) "Historical resources preservation project" is a project designed to preserve an historical resource which is either listed in the National Register of Historic Places or is registered as either a state historical landmark or point of historical interest pursuant to Section 5021.

(e) "Coastal recreational resources" means those land and water areas adjacent to or in close proximity to the Pacific Ocean which are suitable for public park, beach, or recreational purposes, including, but not limited to, areas of historical significance and areas of open space that complement park, beach, or recreational areas.

5096.124. Except as otherwise provided in this section or elsewhere in this chapter, all money deposited in the State, Urban, and Coastal Park Fund shall be available for appropriation as set forth in Section 5096.119 for the purposes set forth below in amounts not to exceed the following:

- |  |               |
|--|---------------|
| (a) For grants to counties, cities, and districts for the acquisition, development, or restoration of real property for park, beach, recreational, and historical resources preservation purposes, including state administrative costs .....  | \$85,000,000  |
| (b) For acquisition, development, or restoration of real property for the state park system in accordance with the following schedule ....   | \$34,000,000  |
| Schedule:  |               |
| (1) Thirteen million dollars (\$13,000,000) for acquisition and costs for planning and interpretation.   |               |
| (2) Twenty-one million dollars (\$21,000,000) for development of real property, historical resources, and costs for planning and interpretation.   |               |
| (c) For acquisition of coastal recreational resources, consisting of real property for the state park system and costs of planning and interpretation .....  | \$110,000,000 |
| (d) For the acquisition or development of real property for wildlife management in accordance with the provisions of the Wildlife Conservation Law of 1947 (Chapter 4 (commencing with Section 1300), Division 2, Fish and Game Code), including costs for planning and interpretation in accordance with the following schedule ..... | \$15,000,000  |
| Schedule:  |               |
| (1) Ten million dollars (\$10,000,000) for coastal projects.   |               |
| (2) Five million dollars (\$5,000,000) for all projects, including coastal projects.   |               |
| (e) For recreational facilities of the State Water Facilities, as defined in paragraphs (1) to (4), inclusive, of subdivision (d) of Section 12934 of the Water Code, for allocation in accordance with the following schedule .....   | \$26,000,000  |
| Schedule:  |               |
| (1) Fifteen million dollars (\$15,000,000) to the Department of Parks and Recreation, of which up to six million dollars (\$6,000,000) may be used for recreational facilities at Lake Elsinore, whether or not  |               |

such facilities are a part of the State Water Facilities.

(2) Five million dollars (\$5,000,000) to the Department of Water Resources.

(3) Six million dollars (\$6,000,000) to the Department of Navigation and Ocean Development.

It is the intent of the Legislature that funds expended pursuant to subdivisions (a) and (b) of this section may be used for the acquisition of parks, beaches, open-space lands, and historical resources, and for development rights and scenic easements in connection with such lands and resources, and, in the case of grants to counties, cities, and districts, also for the development or restoration of such lands or resources and that funds expended pursuant to subdivision (c) of this section be in accordance with the following criteria and priorities:

(1) The first priority for the acquisition of coastal recreational resources is as follows:

(i) Land and water areas best suited to serve the recreational needs of urban populations.

(ii) Land and water areas of significant environmental importance, such as habitat protection.

(iii) Land and water areas in either of the above categories shall be given the highest priority when incompatible uses threaten to destroy or substantially diminish the resource value of such area.

(2) The second priority for the acquisition of coastal recreational resources is as follows:

(i) Land for physical and visual access to the coastline where public access opportunities are inadequate or could be impeded by incompatible uses.

(ii) Remaining areas of high recreational value.

(iii) Areas proposed as a coastal reserve or preserve, including areas that are or include restricted natural communities, such as ecological areas that are scarce, involving only a limited area; rare and endangered wildlife species habitat; rare and endangered plant species range; specialized wildlife habitat; outstanding representative natural communities; sites with outstanding educational value; fragile or environmentally sensitive resources; and wilderness or primitive areas. Areas meeting more than one of these criteria may be considered as being especially important.

(iv) Highly scenic areas that are or include landscape preservation projects designated by the Department of Parks and Recreation; open areas identified as being of particular value in providing visual contrast to urbanization, in preserving natural landforms and significant vegetation, in providing attractive transitions between natural and urbanized areas, or as scenic open space; and scenic areas and historical districts designated by cities and counties. All real property acquired pursuant to this chapter shall be acquired in compliance with the provisions of Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code, and procedures sufficient to ensure such compliance shall be prescribed by the Department of Parks and Recreation.

It is the further intent of the Legislature that funds granted pursuant to subdivision (a) of this section may be used by counties, cities, and districts for the acquisition, development, and restoration of public indoor recreational facilities, including enclosed swimming pools, gymnasiums, recreation centers, historical buildings, and museums. For development, the land must be owned by, or subject to a long-term lease to, the applicant county, city, or district. Such lease shall be for a period of not less than 25 years from the date an application for a grant is made and shall provide that it may not be revoked at will during such period.

5096.125. Except as otherwise provided in this section and elsewhere in this chapter, all money deposited in the State Coastal Conservancy shall be available for appropriation, as provided in Section 5096.119, for the purposes set forth in this section, in a total amount not to exceed ten million dollars (\$10,000,000):

(a) For restoration and enhancement of degraded coastal lands, especially habitat areas and lands near urban areas, that are suitable for intensive or passive recreational use.

(b) For the selective acquisition of prime coastal agricultural lands proposed for conversion to nonagricultural use, to prevent urban intrusions into agricultural areas and to assemble coastal agricultural lands into parcels of economic size, using appropriate techniques such as purchase and leaseback or resale of lands for productive use.

(c) For the preacquisition of lands for reconveyance to other public agencies for coastal recreational resources preservation purposes.

(d) For the selective acquisition of easements and development rights on lands adjacent to public parks or wildlife preserves on or near the coast, to establish a buffer of privately owned land for use consistent with the purposes of the park or preserve and to minimize the need for future acquisitions around existing parks and wildlife preserves.

(e) For the acquisition or acceptance of lands providing public access to and along the coast.

(f) For the costs of administration and planning.

It is the intent of the Legislature that no funds allocated in this chapter to the State Coastal Conservancy shall be expended unless and until the Legislature has enacted legislation authorizing the administration of the conservancy by an existing state agency or a new state agency and has, in such legislation, set forth the purposes, powers, and duties of such agency. If the Legislature has not assigned such authority to an existing or new state agency by January 1, 1980, the funds allocated in this chapter to the State Coastal Conservancy shall be transferred to the State, Urban, and Coastal Park Fund and shall be allocated for expenditure for the purposes specified in subdivision (c) of Section 5096.124.

It is the further intent of the Legislature that funds expended pursuant to this section may be used for acquisition of fee title to real property or any other interest in real property that is less than the fee.

5096.126. After the Legislature has authorized the administration of the State Coastal Conservancy by an existing or new state agency, any project involving state funds pursuant to Section 5096.125 shall originate and be processed in the manner to be specified by the Legislature in such authorizing legislation.

5096.127. (a) All of the funds authorized by subdivision (a) of Section 5096.124 for grants, shall be allocated to the counties, such allocation to be based upon the estimated population of the counties on July 1, 1980, as projected by the Department of Finance.

(b) Each county's apportionment of such funds shall be in the same ratio as the county's population is to the state's total population; provided, however, that each county having a projected 1980 population of 40,000 or fewer persons shall receive an allocation of two hundred thousand dollars (\$200,000); and provided, further, that any grant made to a city or district shall be subtracted from the total otherwise allocable under the provisions of this chapter to the county or counties in which the city or district is located.

(c) Each county shall consult with all cities and districts within the county and shall develop and submit to the state for approval a priority plan for expenditure of the county's allocation. The priority plan for expenditure shall consist of an allocation of the county's funds to the eligible recipients specified in subdivision (a) of Section 5096.124. The priority plan for expenditure may include the names of individual projects under each governmental jurisdiction. The priority plan for expenditure shall be submitted to the Director of Parks and Recreation prior to June 30, 1978. The priority plan for expenditure of the total county allocation shall be approved by at least 50 percent of the cities and districts representing 50 percent of the population of the cities and districts within the county, and by the county board of supervisors. Failure to submit an approved priority plan by June 30, 1978, shall result in a 10-percent annual reduction of the total county allocation until the priority plan is submitted. Any funds not allocated to a county shall remain in the State, Urban, and Coastal Park Fund and shall be expended under the same conditions as set forth in Section 5096.128 in 1983. By June 30, 1980, if agreement on the priority plan for expenditure has not been submitted to the Director of Parks and Recreation, the county board of supervisors shall petition the Director of Parks and Recreation to distribute to high-priority projects the remaining 80 percent of the county's allocation.

(d) Applications for individual projects may be submitted directly to the Director of Parks and Recreation by individual jurisdictions.

5096.128. On July 1, 1983, the Secretary of the Resources Agency shall cause to be totaled the unencumbered balances remaining in the State, Urban, and Coastal Park Fund. A program shall be submitted in the budget for the 1984-1985 fiscal year to appropriate this balance. This program shall consist of projects deemed to be of highest priority from among the purposes expressed in subdivisions (a) to (e), inclusive, of Section 5096.124 and shall not be subject to the maximum amounts allocated to those purposes in Section 5096.124.

5096.129. Any project involving state funds only, pursuant to subdivisions (b), (c), and (e) of Section 5096.124, shall originate by resolution of the Legislature or of the State Park and Recreation Commission directing a study of the proposed project or by action of the Secretary of the Resources Agency, either on his own initiative or, with respect to projects to be funded pursuant to subdivision (e) of Section 5096.124, at the request of the Director of Water Resources, directing a study of the proposed project.

The costs of these project studies shall be borne by the State, Urban, and Coastal Park Fund.

Allocations for the purposes of subdivision (d) of Section 5096.124 that are authorized by the Legislature and approved by the Governor shall be made from the State, Urban, and Coastal Park Fund and shall be expended in accordance with the provisions of the Wildlife Conservation Law of 1947 (Chapter 4 (commencing with Section 1300), Division 2, Fish and Game Code).

5096.130. (a) An application for a grant pursuant to subdivision (a) of Section 5096.124 shall be submitted to the Director of Parks and Recreation for review. The application shall be accompanied by a certification from the planning agency of the applicant that the project is consistent with the park and recreation plan for the applicant's jurisdiction.

(b) The minimum amount that may be applied for any individual grant project is ten thousand dollars (\$10,000). Any application for a state grant shall comply with the provisions of the Environmental Quality Act of 1970 (commencing with Section 21000).

(c) Upon completion of the grant application review by the Director of Parks and Recreation, approved projects shall be forwarded to the Director of Finance for inclusion in the Budget Bill.

5096.131. Projects proposed pursuant to subdivisions (b), (c), (d), and (e) of Section 5096.124 shall be submitted to the office of the Secretary of the Resources Agency for review. The Director of Parks and Recreation shall provide the Secretary of the Resources Agency with a statement concerning each project originated pursuant to subdivisions (b), (c), and (e) of Section 5096.124, which statement shall include the priority of the project in regard to the need to correct the following deficiencies:

(a) Deficiencies in providing recreation.

(b) Deficiencies in preserving historical resources.

(c) Deficiencies in preserving or protecting natural, scenic, ecological, geological, or other environmental values.

5096.132. The Secretary of the Resources Agency, after completing his review, shall forward those projects recommended by the appropriate board or commission together with his comments thereon to the Director of Finance for inclusion in the Budget Bill. Projects proposed pursuant to subdivision (d) of Section 5096.124 shall be subject to the favorable recommendation of the Wildlife Conservation Board. Projects proposed for the state park system pursuant to subdivision (b) or (e) of Section 5096.124 shall be subject to the favorable recommendation of the State Park and Recreation Commission.

In submitting the list of projects recommended for inclusion in the annual budget, the secretary shall organize the projects on a priority basis within each of the purposes as set forth in subdivisions (b), (c), (d), and (e) of Section 5096.124. This priority ranking shall be based upon the provisions of Section 5096.124 and the needs specified in Section 5096.131.

In addition, the statement setting forth the priorities shall include the relationship of each separate project on the priority list to a proposed time schedule for the acquisition, development, or restoration expenditures associated with the accomplishment of the projects contained in such list. All projects proposed in the Governor's Budget of each fiscal year shall be contained in the Budget Bill as provided in Section 5096.119.

5096.133. Projects authorized for the purposes set forth in subdivisions (b), (c), and (e) of Section 5096.124 shall be subject to augmentation as provided in Section 16352 of the Government Code. The unexpended balance in any appropriation heretofore or hereafter made payable from the State, Urban, and Coastal Park Fund which the Director of Finance, with the approval of the State Public Works Board, determines not to be required for expenditure pursuant to the appropriation may be transferred on order of the Director of Finance to, and in augmentation of, the appropriation made in Section 16352 of the Government Code.

5096.134. The Director of Parks and Recreation may make agreements with respect to any real property acquired pursuant to subdivisions (b) and (c) of Section 5096.124 for continued tenancy of the seller of the property for a period of time and under such conditions as mutually agreed upon by the state and the seller so long as the seller promises to pay such taxes on his interest in the property as shall become due, owing, or unpaid on the interest created by such agreement, and so long as the seller conducts his operations on the land according to specifications issued by the Director of Parks and Recreation to protect the property for the public use for which it was

acquired. A copy of such agreement shall be filed with the county clerk in the county in which the property lies. Such arrangement shall be compatible with the operation of the area by the state, as determined by the Director of Parks and Recreation.

5096.135. Notwithstanding any other provisions of law, for the purposes of this chapter, acquisition may include gifts, purchases, leases, easements, eminent domain, the transfer or exchange of property for other property of like value, and purchases of development rights and other interests, unless the Legislature shall hereafter otherwise provide. Acquisition for the state park system by purchase or by eminent domain shall be under the Property Acquisition Law (commencing with Section 15850 of the Government Code), notwithstanding any other provisions of law.

5096.136. All grants, gifts, devises, or bequests to the state, conditional or unconditional, for park, conservation, recreation, or other purposes for which real property may be acquired or developed pursuant to this chapter, may be accepted and received on behalf of the state by the appropriate department head with the approval of the Director of Finance. Such grants, gifts, devises, or bequests shall be available, when appropriated by the Legislature, for expenditure for the purposes provided in Sections 5096.124 and 5096.125.

5096.137. There shall be an agreement or contract between the Department of Parks and Recreation and the applicant in the case of a state grant project which shall contain therein the provisions that the property so acquired or developed shall be used by the applicant only for the purpose for which the state grant funds were requested and that no other use of the area shall be permitted except by specific act of the Legislature. No state grant funds shall be available for expenditure until such agreement has been signed.

5096.138. Real property acquired by the state shall consist predominantly of open or natural lands, including lands under water capable of being utilized for multiple recreational purposes, and lands necessary for the preservation of historical resources. No funds derived from the bonds authorized by this chapter shall be expended for the construction of any reservoir designated as a part of the "State Water Facilities," as defined in subdivision (d) of Section 12934 of the Water Code, but such funds may be expended for the acquisition or development of beaches, parks, recreational facilities, and historical resources at or in the vicinity of any such reservoir.

5096.139. (a) The Director of Parks and Recreation may submit to the State Lands Commission any proposal by a state or local public agency for the acquisition of lands pursuant to this chapter, which lands are located on or near tidelands, submerged lands, swamp, overflowed, or other wetlands which are under the jurisdiction of the State Lands Commission, whether or not such lands are state-owned or have been granted in trust to a local public agency; and the State Lands Commission shall, within one year of such submittal, review such proposed acquisition, make a determination as to the state's existing or potential interest in the lands, and report its findings to the Director of Parks and Recreation, who shall forward such report to the Secretary of the Resources Agency.

(b) No provision of this chapter shall be construed as authorizing the condemnation of state lands.

SEC. 2. Section 1 of this act shall become operative January 1, 1977, if the people at the special election provided in Section 3 of this act adopt the Nejedly-Hart State, Urban, and Coastal Park Bond Act of 1976, as set forth in Section 1 of this act. Sections 2 to 8, inclusive, of this act provide for the calling of an election and contain provisions relating to, and necessary for, the submission of the Nejedly-Hart State, Urban, and Coastal Park Bond Act of 1976 to the people, and for returning, canvassing, and proclaiming the votes thereon, and shall take effect immediately.

## TEXT OF PROPOSITION 7

This amendment proposed by Assembly Constitutional Amendment 96 (Statutes of 1976, Resolution Chapter 56) expressly amends existing sections of the Constitution; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions to be inserted or added are printed in *italic type* to indicate that they are new.

## PROPOSED AMENDMENT TO ARTICLE VI

First—That Section 8 of Article VI thereof be amended to read:

~~SEC. 8.~~ *SEC. 8.* The Commission on Judicial ~~Qualifications Performance~~ consists of 2 judges of courts of appeal, 2 judges of superior courts, and one judge of a municipal court, each appointed by the Supreme Court; 2 members of the State Bar who have practiced law in this State for 10 years, appointed by its governing body; and 2 citizens who are not judges, retired judges, or members of the State Bar, appointed by the Governor and approved by the Senate, a majority of the membership concurring. All terms are 4 years.

Commission membership terminates if a member ceases to hold the position that qualified the member for appointment. A vacancy

shall be filled by the appointing power for the remainder of the term.

Second—That Section 18 of Article VI thereof be amended to read:

~~SEC. 18.~~ (a) A judge is disqualified from acting as a judge, without loss of salary, while there is pending (1) an indictment or an information charging the judge in the United States with a crime punishable as a felony under California or federal law, or (2) a recommendation to the Supreme Court by the Commission on Judicial ~~Qualifications Performance~~ for removal or retirement of the judge.

(b) On recommendation of the Commission on Judicial ~~Qualifications Performance~~ or on its own motion, the Supreme Court may suspend a judge from office without salary when in the United States the judge pleads guilty or no contest or is found guilty of a crime punishable as a felony under California or federal law or of any other crime that involves moral turpitude under that law. If the conviction is reversed suspension terminates, and the judge shall be paid the salary for the judicial office held by the judge for the period of suspension. If the judge is suspended and the conviction becomes final the Supreme Court shall remove the judge from office.

(c) On recommendation of the Commission on Judicial ~~Qualifications Performance~~ the Supreme Court may (1) retire a judge for disability that seriously interferes with the performance of the judge's duties and is or is likely to become permanent, and (2) censure or

remove a judge for action occurring not more than 6 years prior to the commencement of the judge's current term that constitutes wilful misconduct in office, ~~wilful and persistent failure or inability~~ to perform the judge's duties, habitual intemperance in the use of intoxicants or drugs, or conduct prejudicial to the administration of justice that brings the judicial office into disrepute. *The commission may immediately admonish a judge found to have engaged in an improper conduct or a dereliction of duty, subject to review in the Supreme Court in the manner provided for review of causes decided by a court of appeal.*

## TEXT OF PROPOSITION 10

This amendment proposed by Senate Constitutional Amendment 46 (Statutes of 1976, Resolution Chapter 59) expressly adds a section to the Constitution; therefore, the new provisions to be added are printed in *italic type* to indicate that they are new.

## TEXT OF PROPOSITION 11

This amendment proposed by Senate Constitutional Amendment 53 (Statutes of 1976, Resolution Chapter 60) expressly amends an existing section of the Constitution; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions to be inserted or added are printed in *italic type* to indicate that they are new.

## TEXT OF PROPOSITION 13—continued from page 49

19713. The commission shall establish and maintain a general office for the transaction of its business at Los Angeles, California. The commission may hold meetings at any other place when the convenience of the members of the commission requires.

19714. A public record of every vote shall be maintained at the commission's general office.

19715. A majority of the commission shall constitute a quorum for the transaction of its business or the exercise of any of its powers.

19716. The commission may visit, investigate, and place expert accountants, and such other persons as it may deem necessary in the office, track, or other place of business of any licensee for the purpose of determining that its rules and regulations are strictly complied with.

19717. The commission may require that the books and financial or other statements of any person licensed under this chapter shall reasonably be kept in a particular manner.

19718. The commission, in carrying out its functions under this chapter, may take such testimony, require by subpoena the attendance of such witnesses and the production of such books, records, papers, correspondence, and documents, as the commission deems advisable. Subpoenas shall be issued under the signature of the executive secretary or the chairman of the commission and shall be served by any person designated by the executive secretary or the chairman. Any member of the commission may administer oaths or affirmations to witnesses appearing before the commission.

In case of disobedience to a subpoena issued under this section, the commission may invoke the aid of the appropriate state court in requiring compliance with such subpoena. Any court where such person is found or transacts business may, in case of refusal to obey a subpoena issued by the commission, issue an order requiring such person to appear and testify, to produce such books, records, papers, correspondence, and documents, and any failure to obey the order of the court shall be punished by the court as a contempt thereof.

19719. In lieu of requiring an affidavit or other sworn statement in any application or other document required to be filed with it, the commission may require a certification thereof under penalty of perjury, in such form as the commission may prescribe.

Any person who willfully makes and subscribes any such certificate which is materially false in any particular is guilty of a felony, and shall be punished in the manner prescribed by the Penal Code for the punishment of perjury.

19720. Stewards and other racing officials appointed or approved by the commission, while performing duties required by this chapter

(d) A judge retired by the Supreme Court shall be considered to have retired voluntarily. A judge removed by the Supreme Court is ineligible for judicial office and pending further order of the court is suspended from practicing law in this State.

(e) A recommendation of the Commission on Judicial Performance for the censure, removal or retirement of a judge of the Supreme Court shall be determined by a tribunal of 7 court of appeal judges selected by lot.

(f) The Judicial Council shall make rules implementing this section and providing for confidentiality of proceedings.

## PROPOSED AMENDMENT TO ARTICLE XI

SEC. 14. A local government formed after the effective date of this section, the boundaries of which include all or part of two or more counties, shall not levy a property tax unless such tax has been approved by a majority vote of the qualified voters of that local government voting on the issue of the tax.

## PROPOSED AMENDMENT TO ARTICLE XIII

SEC. 12. (a) Except as provided in subdivision (b), taxes on personal property, possessory interests in land, and taxable improvements located on land exempt from taxation which are not a lien upon land sufficient in value to secure their payment shall be levied at the rates for the preceding tax year upon property of the same kind where the taxes were a lien upon land sufficient in value to secure their payment.

(b) In any year in which the assessment ratio is changed, the Legislature shall adjust the rate described in subdivision (a) to maintain equality between property on the secured and unsecured rolls.

or by the commission, shall be entitled to the same rights and immunities granted public employees by the provisions of Article 3 (commencing with Section 820) of Chapter 1 of Part 2 of Division 3.6 of Title 1 of the Government Code.

19721. The commission annually on or before January 31 shall make a full report to the Governor and the Legislature of its proceedings for the fiscal year and shall include therewith such recommendations as it deems desirable.

19722. The Attorney General shall enforce this chapter in his capacity as a law enforcement officer.

### Article 3. Racing Association Licenses

19726. Notwithstanding any other provision of law, including, but not limited to, Section 337a of the Penal Code, the commission may grant a license or licenses for the conduct of greyhound racing to any racing association, as defined in this chapter.

19727. No license granted by the commission shall be transferable or permit the conduct of greyhound racing at any other facility unless authorized by the commission.

19728. Each license granted pursuant to this chapter shall be in writing, shall contain such reasonable conditions as are deemed necessary or desirable by the commission for the purposes of this chapter, and shall be subject to all rules, regulations, and conditions prescribed by the commission. In considering each license application the commission shall, among other things, require each applicant to furnish each of the following:

(a) Financial statements and credit arrangements sufficient to indicate capacity to organize, finance, build, and operate such facilities as required.

(b) A selected site for the conduct of greyhound racing which would be compatibly zoned and for which a preliminary environmental impact statement has been prepared.

(c) A plan for nuisance prevention, neighborhood preservation, law enforcement, internal security, and other operational methods of possible interest and concern to the surrounding area, supplemental to and over and above, but connected to the environmental impact report required hereby.

(d) Traffic and parking control analysis.

(e) Preliminary construction and site plans including landscaping and beautification measures.

(f) An estimate of the direct tax revenue which will accrue to the host governmental jurisdiction and an estimate of the economic benefits to the surrounding community.



19729. New facilities shall be constructed for the conduct of greyhound racing. Racing association licensees may conduct greyhound racing at interim facilities, not to exceed five years from the date of the issuance of the initial license pending construction and completion of permanent facilities.

19730. The action of the commission in suspending or revoking a license issued under this chapter is final, except that the propriety of such action is subject to review by any court of competent jurisdiction. The action of the commission shall stand unless and until reversed by such a court.

19731. No application for a track owner's license or for a license to conduct a race meeting shall be granted unless the applicant's liability for workmen's compensation is secured in accordance with Division 4 (commencing with Section 3700) of the Labor Code.

19732. The commission may issue to any person who makes application therefor in writing, who has complied with the provisions of this chapter, and who makes the deposit to secure payment of the license fee imposed by this article, a license to conduct a greyhound racing meeting in accordance with this chapter; provided the commission determines that the issuance thereof will be in the public interest and will subserve the purposes of this chapter.

19733. All applications for a first license to conduct greyhound racing shall be accompanied by a nonrefundable application fee in the amount of fifty thousand dollars (\$50,000) for each license sought. The commission shall conduct a thorough investigation concerning the application for a license and may refuse to issue a license to any applicant if there is substantial evidence to find that the applicant is (a) not of good repute and moral character, (b) has been suspended or ruled off a recognized greyhound racing track in another state by the racing board or commission thereof, (c) is a corporation not duly qualified and authorized to conduct business within this state, (d) is an individual who has been convicted of a felony involving moral turpitude, or (e) is a corporation controlled or operated directly or indirectly by a person or persons who have been convicted of a felony or any crime involving moral turpitude.

19734. Every racing association licensee must be a resident of the State of California or if a corporation, firm, or association duly organized, qualified, and authorized to conduct business within the State of California, must be controlled by California residents.

19735. Every applicant for a license shall file a complete list of all management and concession contracts in effect at the time of application and in which such applicant has any interest. Copies of each such contract shall be furnished to the commission upon its request. Every licensee, upon request of the commission, shall file a complete list of all management and concession contracts in which the licensee has acquired or divested any interest subsequent to the time the licensee filed an application upon which the license was issued.

19736. An application for a license shall be denied for any of the following reasons:

(a) The applicant is not the true owner of the enterprise for which a license is sought.

(b) Other persons have ownership in the enterprise and such ownership has not been disclosed to the commission.

19737. No licensee who holds a greyhound racing association license shall be entitled to apply for or hold, directly or indirectly, a license for the conduct of horseracing; and no licensee who holds a license to conduct horseracing shall be entitled to apply for or hold, directly or indirectly, a greyhound racing association license.

19738. Every license issued under this article shall specify each of the following:

(a) The name of the person to whom it is issued.

(b) The days and hours of the day when the meeting will be permitted.

(c) The number and types of races to be run on each day of the meeting.

The license shall also recite the payment to and receipt by the commission of the deposit to secure payment of the license fee required by this article.

19739. Except as provided in Section 19733, each application for a license to conduct a greyhound racing meeting shall be accompanied by a deposit to secure the payment of any license fee imposed by this article, in the form of a certified check payable to the Treasurer of the State of California, in the amount of fifty thousand dollars (\$50,000).

19740. Upon termination of the greyhound racing meeting for which a license has been granted:

(a) If the licensee has fully paid the license fee imposed by this article, the sum deposited with the application for the license shall be returned to the licensee.

(b) If the licensee fails, refuses or neglects to pay such fee, the amount thereof shall be deducted from the sum deposited and the balance, if any, shall be returned to the licensee.

19741. If by reason of any cause beyond control, and through no fault or neglect of any licensee, and when the licensee is not in default, it becomes impossible for the licensee to hold or conduct racing upon any day authorized by the commission, the commission, in its discretion and at the request of the licensee, may either return any fee paid by the licensee for racing on that day or, as a substitute

for such day, may specify any other day for the holding or conducting of racing by the licensee, or may add additional races to already programmed events.

19742. Except as provided in this chapter, no license or excise tax or fee in excess of one hundred dollars (\$100) for each racing day shall be assessed against or collected from any licensee by the state or by any county, city, district or any other body having the power to assess or collect any license, tax, or fee.

19743. An original racing association license issued pursuant to this article shall be issued for a three-year period and shall be renewable automatically for three-year periods as long as such license has not been revoked by the commission.

19744. A license issued pursuant to this article shall be subject to revocation for just cause.

19745. The commission shall specify which time or times of the day when greyhound racing shall be conducted by racing association licensees as will be in the public interest and subserve the purposes of this chapter.

19746. The commission shall specify the number of races to be conducted daily as will be in the public interest and subserve the purposes of this chapter.

19747. (a) Any person who is licensed to conduct a greyhound racing meeting and leases any property from the state for such purpose shall not transfer any such property to any other person, whether licensed under this chapter or not, for the purpose of furnishing such other person a place or inclosure for the same purpose, unless such transfer is first submitted to the Department of General Services and the department finds that its terms and provisions are just and reasonable and approves of it.

(b) As used in this section, "transfer" includes any sublease, permit to use, license to use, and any other transaction or arrangement of any kind or nature whereby any right to the use or possession of property, or any part thereof, for the purpose related to a greyhound racing meeting is conferred upon any person.

(c) The provisions of this section which are applicable to a person licensed under this chapter to conduct a greyhound racing meeting shall also apply to any person to whom a transfer is made by such a licensee in accordance with this section.

19748. Not more than one greyhound racing association license shall be issued in any one county.

#### Article 4. Other Licensees

19749. Every person not required to be licensed under Article 3 (commencing with Section 19726) who participates in or has anything to do with the racing of greyhounds, including a greyhound owner, exercise boy, agent, trainer, observer, foreman, groom, veterinarian, steward, watchman, starter, timer, judge, any other person acting as an official at any greyhound racing meeting, and every employee of a parimutuel department, shall be licensed by the commission pursuant to such rules and regulations as the commission may adopt, and upon the payment of a license fee of at least five dollars (\$5) but not more than twenty-five dollars (\$25), as established by the commission.

No person required to be licensed by this section may participate in any capacity in any greyhound race meeting without a valid and unrevoked license authorizing such participation.

19750. The commission may at any time, after a proper hearing, require the removal of any official or employee of any licensee in any case where it has sufficient reason to believe that the official or employee has been guilty of any dishonest practice in connection with greyhound racing.

#### Article 5. Racing Days

19751. The commission shall allocate racing days to each licensee, pursuant to the provisions of this article and to specify such dates for greyhound racing as will be in the public interest and subserve the purposes of this chapter.

Such racing dates shall not be required to be run consecutively. The commission may allow licensees to split race meetings to better serve the purposes of this chapter.

For purposes of this article, the time or times of a racing day designated for racing shall be determined by the commission.

19752. For the purposes of this article there shall be five geographical zones which shall be designated as follows:

(a) The "southeastern zone," which shall consist of the Counties of Imperial, Kern, Riverside, and San Bernardino.

(b) The "south coastal zone," which shall consist of the Counties of Los Angeles, Orange, San Diego, San Luis Obispo, Santa Barbara, and Ventura.

(c) The "central zone," which shall consist of the Counties of Monterey, San Benito, Merced, Mariposa, Mono, Madera, Fresno, Kings, Santa Clara, Tulare, and Inyo.

(d) The "north coastal zone," which shall consist of the Counties of Alameda, Marin, San Francisco, and San Mateo.

(e) The "northeastern zone," which shall consist of the remaining counties in the state.

19753. The number of racing days which shall be allocated to greyhound racing are as follows:

(a) 75 days in the southeastern zone.

- (b) 400 days in the south coastal zone.
- (c) 225 days in the central zone.
- (d) 100 days in the north coastal zone.
- (e) 75 days in the northeastern zone.
- (f) The number of racing days specified in subdivisions (a), (b), (c), (d), and (e) shall not include charity racing days.

1754. (a) Any county having a population of 4,000,000 or more persons, as measured by the 1970 United States Decennial Census, shall receive 200 days of greyhound racing.

(b) Any county having a population of more than 1,000,000 persons but less than 4,000,000, as measured by the 1970 United States Decennial Census, shall receive 100 days of racing, except that the racing days of such county may be awarded to another county within the same zone where there are at least two contiguous counties each eligible for 75 racing days.

(c) Any county having a population of more than 500,000 persons but less than 750,000, as measured by the 1970 United States Decennial Census, may receive 75 days of greyhound racing if sufficient racing days are available within the particular zone.

(d) Any county having a population of more than 1,000,000 persons, as measured by the 1970 United States Decennial Census, which does not allow one or more days per calendar year of parimutuel horseracing as of the date of approval of this measure shall be entitled to an additional 50 days of greyhound racing.

#### Article 6. Charity Racing Days

1755. The commission shall require each licensed racing association which conducts more than 50 days but less than 90 days of greyhound racing per year to designate two racing days during any one meeting, to be conducted as charity days by such licensee. Licensed racing associations conducting 90 days or more of greyhound racing per year shall designate four racing days during any one meeting, to be conducted as charity days by such licensee, for the purpose of distribution of the net proceeds therefrom as defined in this chapter to beneficiaries through the distributing agent, as provided herein. Such charity days shall be in addition to the racing days authorized by the commission pursuant to Article 5 (commencing with Section 19751).

1756. As a condition of the issuance of the license for the conduct of greyhound racing, the commission shall require that the licensee of such meeting shall conduct such charity day racing and shall furnish its plant, facilities, and all personnel and property necessary for the conduct of such racing on days designated as charity racing days.

1757. All racing officials required by law or regulation to serve in connection with the meeting shall also serve, without further authorization or designation, in their respective capacities and at the same rate compensation in connection with the charity day racing.

1758. On charity racing days the income from all operations carried on in connection with or resulting from the conduct of racing on such days, including income from parimutuel wagering, admissions, parking, program sales, and concessions shall be income from operations on such charity days.

1759. From the gross income from such operations on charity days there shall be deducted only the expenses incurred because of the conduct of racing on such days, but no deduction shall be made by a licensee for any overhead expenses of the licensee which would be incurred irrespective of the conduct of the charity days' racing.

The balance of such income after such deductions is herein designated as charity days' net proceeds and shall be paid by such licensee to a distributing agent selected and qualified in accordance with this article. No profit shall be made, either directly or indirectly, from such charity days' operations by the licensee of the meeting.

1760. (a) The distributing agent for such charity days' net proceeds shall always be a nonprofit organization or corporation, or nonprofit organizations or corporations, selected by the licensee of the meeting and approved by the commission.

(b) Each such distributing agent to be qualified hereunder shall conform to the then existing laws and regulations of this state and the United States so as to be exempt or be entitled to exemption from the payment of any tax measured by income.

(c) It shall have not less than five trustees or directors. None of the individuals constituting the governing board of trustees or directors of such distributing agent shall be directly connected with, be a stockholder of, or have any interest in the racing association which is the licensee of the race meeting. Each of such individual trustees or directors shall be a person who is at the time (1) a resident of this state, and (2) an executive, officer, director, trustee, or member of the governing body or board, by whatever name such governing body or board may be known, of an organization engaged in civic, religious, charitable, educational or veterans' activities in this state.

(d) Each distributing agent shall adopt bylaws, shall provide for an election to fill vacancies in the board of directors or trustees and shall hold at least one meeting each year.

19761. Each licensee shall pay over such charity days' net proceeds to such distributing agent as soon as practicable after the determination thereof, and such agent or agents shall thereafter distribute not less than 90 percent of the aggregate proceeds from charity days' racing received and available for distribution by it to beneficiaries

within 12 calendar months after the last day of the meeting during which such charity days were conducted. The balance, if any, of such aggregate charity days' net proceeds not distributed within such 12-month period shall be distributed as soon thereafter as is practicable.

19762. Such distribution shall be made by the distributing agent to beneficiaries qualified under this article. For the purposes of this article, a beneficiary shall be all of the following:

(a) A nonprofit corporation or organization entitled by law to receive a distribution made by a distributing agent.

(b) Exempt or entitled to an exemption from the same taxes measured by income imposed by this state and the United States as those under which the distributing agent is exempt or entitled to an exemption.

(c) Engaged in charitable, benevolent, civic, religious, or veterans' work similar to that of agencies recognized by an organized community chest in the State of California, except that the funds so distributed may be used by such beneficiary for capital expenditures.

(d) Approved by the commission.

No beneficiary otherwise qualified under this section to receive charity day net proceeds shall be excluded on the basis that such beneficiary provides charitable benefits to persons connected with the care, training, and running of greyhounds except that such a beneficiary shall make an accounting to the commission within one calendar year of the date of receipt of any such distribution.

19763. In addition to the charity days required by Section 19755, each racing association which conducts more than 90 days of greyhound racing per year shall conduct one additional day of greyhound racing during any one meeting for the purpose of distributing the net proceeds therefrom to any nonprofit, tax-exempt organization or organizations engaged in the promotion and fostering of humane treatment of animals.

19764. Within the 12-month period specified in Section 19761, and prior to the payment of any charity days' net proceeds to any beneficiary, the distributing agent shall submit the name of the beneficiary for the commission's approval.

If the commission does not disapprove of the beneficiary within 60 days after the submission, its approval shall be deemed to have been given.

#### Article 7. General Provisions

19765. The commission may prescribe rules, regulations, and conditions, consistent with the provisions of this chapter, under which all greyhound races with wagering on their results shall be conducted.

19766. Every licensee conducting a greyhound racing meeting shall provide each racing day for the running of at least one race limited to California-bred greyhounds, to be known as the "California-bred race." If, however, sufficient competition cannot be had among greyhounds of that class on any day, the race may, with the consent of the commission, be eliminated for that day and a substitute race provided. The substitute race shall be California-bred preferred.

19767. A breeder's award consisting of an amount equal to 10 percent of the winner's share of every purse shall be paid to the breeder or breeders of the winning greyhound if such greyhound was bred in California. Breeders' awards shall be paid by the racing association licensee in addition to the purse allotment designated in Section 19786. Payment of breeders' awards shall be determined as follows:

(a) Fifty percent of said award shall be paid to the registered owner of the sire of the winning greyhound at the time of whelping.

(b) Fifty percent shall be paid to the registered owner of the brood matron of the winning greyhound at the time of whelping. Owners shall be registered by the registry.

19768. The commission, by rule, may provide for the exclusion or ejection from any inclosure relating to greyhound racing or from specified portions of such inclosure, of any known bookmaker, known tout, person who has been convicted of a violation of any provision of this chapter or of any law prohibiting bookmaking or any other illegal form of wagering on greyhound races, or any other person whose presence in the inclosure would, in the opinion of the commission, be inimical to the interests of the state or of legitimate greyhound racing, or both. No such rule shall provide for the exclusion or ejection of any person on the ground of race, color, creed, national origin or ancestry, or sex.

19769. (a) Any person who, pursuant to a rule of the commission, is excluded or ejected from any inclosure where greyhound racing is authorized may apply to the commission for a hearing on the question of whether the rule is applicable to him.

(b) The commission shall hold the hearing either at its next regular meeting after receipt of the application at the office of the commission nearest the residence of the applicant or at such other place and time as the commission and the applicant may agree upon.

(c) If, upon the hearing, the commission determines that the rule does not or should not apply to the applicant, it shall notify all persons licensed under Article 3 (commencing with Section 19726) of such determination.

(d) If the commission determines that the exclusion or ejection was proper, it shall make and enter in its minutes an order to that



effect. Such order shall be subject to review by any court of competent jurisdiction in accordance with law.

19770. Any person who is excluded or ejected from an inclosure pursuant to a rule or rules promulgated pursuant to the provisions of Section 19768 is guilty of a misdemeanor if he thereafter enters the inclosure of any association during its greyhound racing meeting without having first obtained a determination by the commission that a rule or rules pursuant to which he was excluded or ejected does not or should not apply to him.

19771. Ninety days after the close of any greyhound racing meeting any redistributable money in a parimutuel pool subject to payment to a claimant pursuant to Section 19784, but not successfully claimed within that period, shall revert to the licensee to be used toward breeders' awards as provided in Section 19767. Any deficit or surplus in the payment of breeders' awards shall be paid accordingly or retained by licensee.

19772. No active licensed racing official at any greyhound racing facility in California shall own or race registered racing greyhounds in California.

19773. All greyhounds racing in California, as well as all California-bred greyhounds and their sires and brood matrons, shall be registered and identified by the registry of greyhounds. The registry shall be an organization established, appointed, or approved by the California Greyhound Racing Commission. The registry shall maintain a record of all greyhound races conducted by licensed racing associations including schooling races. The registry shall also maintain such additional charts and records as to provide full information on the conduct of racing in the state. The registry shall charge trainers, and owners for the use of its services. A schedule of fees may be charged greyhound racing association licensees in order to make the registry self-sustaining. Fee schedules shall be approved by the commission.

19774. In each racing area the licensee shall provide and maintain an inclosed training and kenneling compound for the boarding of all greyhounds currently racing at such racetrack. Where two or more tracks are within a reasonable distance of each other, one compound of adequate size may serve as the compound for all such areas. Each compound shall be completely inclosed, shall have adequate full-time security, sufficient kenneling space, suitable exercise areas, exercise runs and pens, food storage, veterinary facilities and other such amenities as are standard practice in the industry. Licensees may impose reasonable charges for use of such facilities.

19775. No racing association license shall be granted to any city, county, municipality, state agency, fair, or agricultural district to conduct greyhound racing.

#### Article 8. Wagering

19776. The commission shall adopt rules governing, permitting and regulating mutuel wagering on greyhound races under the system known as the parimutuel method of wagering. Such wagering shall be conducted only by a person licensed under this chapter to conduct a greyhound racing meeting, and only within the inclosure and on the dates for which greyhound racing has been authorized by the commission.

19777. Any licensee conducting a greyhound racing meeting shall provide a place within the meeting grounds or inclosure where the licensee may conduct, operate, and supervise the parimutuel method for wagering upon the results of the race within the inclosure.

19778. The parimutuel system of wagering shall be operated only by a totalizator or other mechanical equipment approved by the commission. The commission shall not require any particular make of mechanical equipment.

19779. The commission shall determine the contents of each parimutuel ticket and such contents shall be printed on each parimutuel ticket.

19780. No method of betting, poolmaking, or wagering, other than by the parimutuel method, shall be permitted or used by any person licensed under this chapter to conduct a greyhound racing meeting.

19781. Any person within the inclosure where a greyhound racing meeting is authorized may wager on the results of a greyhound race held at that meeting by contributing his money to the parimutuel pool operated by the licensee under this chapter. Such wagering is not unlawful, notwithstanding any other law of the State of California to the contrary.

19782. Any form of wagering or betting on the result of a greyhound race other than that permitted by this chapter is illegal. Also illegal is any wagering or betting on greyhound races outside an inclosure where the conduct of greyhound racing is licensed by the commission.

19783. Notwithstanding any other provision of this chapter, a person licensed under this chapter to conduct a greyhound racing meeting shall, as to any payment made to a person who has wagered by contributing to a parimutuel pool operated by such licensee, also deduct the breakage.

19784. Any person claiming to be entitled to any part of a redistribution from a parimutuel pool operated by a licensee under this chapter, who fails to claim the money due him prior to the completion of the greyhound racing meeting at which such pool was formed, may, within 60 days after the close of such meeting, file the following with the commission:

(a) A verified claim, in such form as the commission shall prescribe, setting forth its details, including such information as may be necessary to identify the particular pool and the amount claimed therefrom.

(b) A substantial portion of the parimutuel ticket upon which such claim is based sufficient to identify the particular race and greyhound involved, the amount wagered, and whether the ticket was a place, or show ticket.

The commission shall hear the claim and consider the proof offered in its support.

Unless the claimant satisfactorily establishes his right to participate in the pool, the claim shall be rejected. If the claim is allowed, the licensee shall, upon order of the commission, pay the amount to the claimant.

19785. The commission shall permit licensees to offer multiple or exotic type wagering to the public, including but not limited to, daily doubles, exactas, quinellas, trifectas, 49ers, twin doubles, pick sixes and other multiple wagers.

#### Article 9. License Fees, Commissions, Purses, and Revenues

19786. Each racing association which conducts a greyhound racing meeting shall deduct from the total amount handled in parimutuel pools conducted by it a total of 15% percent thereof to be distributed as license fees, commissions, and purses as follows:

(a) Each racing association shall deduct from the total amount handled in parimutuel pools conducted by it, 2½ percent to be distributed as purses.

(b) Each racing association shall deduct from the total amount handled in parimutuel pools conducted by it, 7¼ percent as commissions for the racing association.

(c) Each racing association shall deduct from the parimutuel pools conducted by it, 6 percent as license fees.

License fees and other moneys received by the Greyhound Racing Commission shall be paid to the State Treasury to the credit of the Greyhound Racing Fund which is hereby created.

19787. When appropriated by the Legislature, the California Greyhound Racing Commission shall expend annually out of the Greyhound Racing Fund such sums as it deems necessary for the support of the commission, including reimbursement to the Attorney General for any costs and expenses incurred in the enforcement of this chapter.

When appropriated by the Legislature, the commission shall distribute annually the following amounts from the Greyhound Racing Fund:

(a) To the municipality, if any, wherein each licensed track is located a sum equal to one-half of 1 percent of the total parimutuel handle of such track. Such sum shall be in lieu of any parking admissions tax to be charged any patron of any greyhound race track. Such restriction on parking or admissions tax shall be applicable only for a 10-year period following the effective date of this measure. If the licensed track is not located in a municipality the one-half of 1 percent shall be distributed to the county wherein the track is situated.

(b) To the county, if any, wherein each licensed track is located a sum equal to 1 percent of the total parimutuel handle of said track. Such sum shall be in lieu of any parking or admissions tax to be charged any patron of any greyhound race track. Such restriction on parking or admissions tax shall be applicable only for a 10-year period following the effective date of this measure.

19788. The Legislature shall appropriate the remaining amounts in the Greyhound Racing Fund as follows:

(a) Fifteen percent thereof to a fund which is hereby established and which shall be known as the California High School Athletic Program Fund. Such fund shall be used exclusively to support the athletic programs of California public high schools, and such fund shall be distributed among the public high schools of the State of California, by the Department of Education, based upon the number of students attending each such school; provided, however, that no high school in the State of California shall receive less than a minimum amount to be established and periodically reviewed by the Department of Education. No high school shall receive more than a maximum amount to be established by the Department of Education.

The funds distributed to each such high school shall be used only for the purchase of athletic equipment, the construction of athletic facilities, the improvement of athletic facilities, travel expenses for athletic teams to attend and participate in athletic events, employment of athletic officials, and similar activities. No portion of such funds shall be used for administration expenses or for salaries of any persons employed by the respective high school involved.

(b) Ten percent to the Superintendent of Public Instruction for carrying out the purposes of Division 12.5 (commencing with Section 16700) of the Education Code, relating to the Moretti-Lewis-Brown-Rodda Child Development Act; provided, that not more than 8 percent of such moneys shall be expended for the expenses of the Department of Education in administering programs under the act at the state level.

(c) Five percent thereof to a fund which is hereby established and which shall be known as the Senior Citizens Transportation Fund. Such funds shall be used for the purchase of mini-buses and other

forms of transportation equipment, to train and provide personnel to operate such equipment, and for maintenance and other necessary expenditures in conjunction therewith. Senior citizens are those 60 years of age or over.

(d) Ten percent thereof to a fund which is hereby established and which shall be known as the Senior Citizens Nutrition Program. Funds shall be for the purchase, preparation, and distribution of meals to senior citizens throughout the State of California. Senior citizens are those 60 years of age or over.

(e) Fifteen percent thereof to a fund which is hereby established and which shall be known as the Handicapped Children's Fund. The purpose is to provide comfort and care for physically and mentally handicapped, severely handicapped, and multi-handicapped children in the State of California. Such funds shall be used for the purpose of construction and maintenance of facilities, pilot and demonstration projects, on-the-job training of professional and paraprofessional teachers and therapists, equipment, both therapeutic and recreational, guidance programs, the general care of the patients, and for the purpose of developing community concern, involvement, and acceptance of these children.

(f) Ten percent thereof to a fund which is hereby established and which shall be known as the Childhood Disease Fund, which shall provide funds for research, patient services, equipment, facility improvement and construction, and the training of personnel for programs pertaining to children's diseases, including, but not limited to, muscular dystrophy, cerebral palsy, and other diseases related to children.

(g) Three percent thereof to a fund which is hereby established and which shall be known as the Deaf Children's Fund, which shall provide funds for equipment for the early diagnosis of hearing deficiencies, development of speech skills, the purchase and distribution of hearing aid equipment for children with hearing impairments. Funds may also be used for professional and paraprofessional training.

(h) Six percent thereof to a fund which is hereby established and which shall be known as the Blind Relief Fund, which shall provide funds to state agencies and nonprofit organizations for rehabilitation services, library services, orientation, mobility, building, construction and improvement, equipment, professional and paraprofessional training and other necessary services in aiding the blind of the State of California.

(i) Ten percent thereof to a fund which is hereby established and which shall be known as the Youth Fund, which shall provide funds for juvenile delinquency prevention, for youth counseling, child abuse programs including education and treatment, foster care, camperships, scouting and similar programs, improvement of detention facilities and procedures for juveniles. These funds may also be used for personal development projects and cultural enrichment programs of juveniles.

(j) Five percent thereof to a fund which is hereby established and which shall be known as the Heart Research Fund, which shall provide funds for research, primarily basic heart research, emphasizing coronary artery disease and hypertension and stroke.

(k) Five percent thereof to a fund which is hereby established and which shall be known as the Cancer Fund, which shall provide funds for research, public education, professional education, patient services and community services pertaining to the disease of cancer.

(l) Five percent thereof to a fund which is hereby established and which shall be known as the Bilingual Education Fund, which shall provide funds for the purpose of second language English and the printing of textbooks and other educational materials bilingually.

(m) One percent thereof to a fund which is hereby established and which shall be known as the Greyhound Retirement Farm Fund. Such funds shall be used for the establishment and maintenance of a retirement farm or farms for racing greyhounds that have raced in California. In the event such funding is inadequate, an assessment shall be made on racing association licensees and greyhound owners to maintain said farms.

In cases where there is no specified agency to distribute these program funds, the Legislature shall within six months adopt legislation to implement the distribution of the funds herein allocated. The purpose and intent of these programs is to provide funds for social services of public or private nonprofit agencies for the actual use and benefit of the citizens of California. The Legislature shall provide that in no case shall more than 15 percent of such funds be used for executive administration.

19789. Breakage shall be retained by each licensed racing association.

19790. Each licensee shall not accept entries of greyhounds from a lessee unless a written lease is on file in the racing association office.

If any leased racing greyhound earns purse money, the licensee shall distribute such purse money pursuant to the terms of the lease.

19791. All money representing penalties or fines imposed under this chapter shall be collected by the licensee of the meeting and paid to the commission within 10 days after its close, and the commission shall deposit all such money in the State Treasury to the credit of the Greyhound Racing Fund.

#### Article 10. Penalties

19792. Any person who, without first having procured a license under Article 3 (commencing with Section 19726), directly or indirectly holds or conducts any meeting where there is greyhound racing and betting on its results by the parimutuel or mutuel method of wagering, is guilty of a misdemeanor.

19793. To protect the public and prevent practices detrimental to racing and the breeding of greyhounds, the commission shall by regulation prescribe any practices in the conduct of racing which shall be corrupt, and subject a licensee for a violation thereof to disciplinary action. Such corrupt practices shall include, but not be limited to, influencing the outcome of a race by stimulating or depressing drugs or chemical agents or by such other means as the commission may prescribe.

19794. It shall be unlawful for any person to race or train any registered racing greyhound within this state using live animals as lures.

It shall be unlawful for any person to race any registered racing greyhound within this state that has knowingly been trained using live animals as lures.

19795. It shall be unlawful for any person to wilfully destroy any registered racing greyhound except by or under the supervision of, or in the event of an emergency under the advice of, a veterinarian licensed under the laws of the State of California.

19796. Any person who violates any of the provisions of this chapter for which a penalty is not herein provided expressly, is guilty of a misdemeanor.

19797. Any person who bets upon the results of a greyhound race except by a parimutuel or mutuel method of wagering conducted by a person licensed under Article 3 (commencing with Section 19726), and upon or within the grounds or inclosure of such licensee, shall be punishable as provided in paragraph 6 of Section 337(a) of the Penal Code.

19798. (a) It shall be unlawful for any person, for the purpose of selling or offering to sell predictions on greyhound races, to advertise that he has predicted the outcome of any such race which has been run in this state, unless such person has notified in writing the California Greyhound Racing Commission, at any of its offices, of his predictions at least three hours prior to the race involved on forms prescribed by the commission. No person shall advertise the fact that he has notified the commission or use the name of the commission in any way whatsoever to promote the activities described in this section.

(b) For the purposes of this section, the term "advertise" includes the use of a newspaper, magazine or other publication, book notice, circular, pamphlet, letter, handbill, tip sheet, poster, bill, sign, placard, card, label, tag, window display, store, radio, or television announcement, or any other means or methods now or hereafter employed to bring to the attention of the public information concerning the outcome of greyhound races.

(c) Nothing herein contained shall apply to any daily newspaper of general circulation which is regularly entered in the United States mail, or any other daily publication carrying complete past performance of greyhounds entered in races, or to any regularly published magazine or periodical devoted to racing news, which magazine or periodical has been published for at least two years.

(d) Any person who violates this section is guilty of a misdemeanor.

19799.1. Any person who conspires with any owner, trainer, groom or other person to predetermine the results of any greyhound race is guilty of a felony.

19799.2. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

Second—The sum of one hundred thousand dollars (\$100,000) is hereby appropriated from the General Fund to the California Greyhound Racing Commission for the purpose of covering initial commission expenses pending the receipt of revenue to be generated by this measure. This advance sum shall be repaid from license fee revenues.

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investigate, conduct hearings and make determinations relating to fair labor practices. The board may review any action taken pursuant to the authority delegated under this section upon a request for a review of such action filed with the board by an interested party. Any such review made by the board shall not, unless specifically

ordered by the board, operate as a stay of any action taken. The entire record considered by the board in considering or acting upon any such request or review shall be made available to all parties prior to such consideration or action, and the board's findings and action thereon shall be published as a decision of the board.

1143. The board shall, at the close of each fiscal year, make a report in writing to the Legislature and to the Governor stating in detail the cases it has heard, the decisions it has rendered, the names, salaries, and duties of all employees and officers in the employ or under the supervision of the board, and an account of all moneys it has disbursed.

1144. The board may from time to time make, amend, and rescind, in the manner prescribed in Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code, such rules and regulations as may be necessary to carry out the provisions of this part.

1145. The board may appoint an executive secretary and such attorneys, hearing officers, administrative law officers, and other employees as it may from time to time find necessary for the proper performance of its duties. Attorneys appointed pursuant to this section may, at the discretion of the board, appear for and represent the board in any case in court.

1146. The board is authorized to delegate to any group of three or more board members any or all the powers which it may itself exercise. A vacancy in the board shall not impair the right of the remaining members to exercise all the powers of the board, and three members shall at all times constitute a quorum. A vacancy shall be filled in the same manner as an original appointment.

1147. The annual salary of a member of the board shall be forty-two thousand five hundred dollars (\$42,500).

1148. The board shall follow applicable precedents of the National Labor Relations Act, as amended.

1149. There shall be a general counsel of the board who shall be appointed by the Governor, subject to confirmation by a majority of the Senate, for a term of four years. The general counsel shall have the power to appoint such attorneys, administrative assistants, and other employees as necessary for the proper exercise of his duties. The general counsel of the board shall exercise general supervision over all attorneys employed by the board (other than administrative law officers and legal assistants to board members), and over the officers and employees in the regional offices. He shall have final authority, on behalf of the board, with respect to the investigation of charges and issuance of complaints under Chapter 6 (commencing with Section 1160) of this part, and with respect to the prosecution of such complaints before the board. He shall have such other duties as the board may prescribe or as may be provided by law. In case of a vacancy in the office of the general counsel, the Governor is authorized to designate the officer or employee who shall act as general counsel during such vacancy, but no person or persons so designated shall so act either (1) for more than 40 days when the Legislature is in session unless a nomination to fill such vacancy shall have been submitted to the Senate, or (2) after the adjournment sine die of the session of the Senate in which such nomination was submitted.

1150. Each member of the board and the general counsel of the board shall be eligible for reappointment, and shall not engage in any other business, vocation, or employment.

#### Article 2. Investigatory Powers

1151. For the purpose of all hearings and investigations, which, in the opinion of the board, are necessary and proper for the exercise of the powers vested in it by Chapters 5 (commencing with Section 1156) and 6 (commencing with Section 1160) of this part:

(a) The board, or its duly authorized agents or agencies, shall at all reasonable times have access to, for the purpose of examination, and the right to copy, any evidence of any person being investigated or proceeded against that relates to any matter under investigation or in question. The members of the board or their designees or their duly authorized agents shall have the right of free access to all places of labor. The board, or any member thereof, shall upon application of any party to such proceedings, forthwith issue to such party subpoenas requiring the attendance and testimony of witnesses or the production of any evidence in such proceeding or investigation requested in such application. Within five days after the service of a subpoena on any person requiring the production of any evidence in his possession or under his control, such person may petition the board to revoke, and the board shall revoke, such subpoena if in its opinion the evidence whose production is required does not relate to any matter under investigation, or any matter in question in such proceedings, or if in its opinion such subpoena does not describe with sufficient particularity the evidence whose production is required. Any member of the board, or any agent or agency designated by the board for such purposes, may administer oaths and affirmations, examine witnesses, and receive evidence. Such attendance of witnesses and the production of such evidence may be required from any place in the state at any designated place of hearing.

(b) In case of contumacy or refusal to obey a subpoena issued to any person, any superior court in any county within the jurisdiction of which the inquiry is carried on, or within the jurisdiction of which such person allegedly guilty of contumacy or refusal to obey is found or resides or transacts business, shall, upon application by the board, have jurisdiction to issue to such person an order requiring such person to appear before the board, its member, agent, or agency, there to produce evidence if so ordered, or there to give testimony

touching the matter under investigation or in question. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

1151.2. No person shall be excused from attending and testifying, or from producing books, records, correspondence, documents, or other evidence in obedience to the subpoena of the board, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. However, no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

1151.3. Any party shall have the right to appear at any hearing in person, by counsel, or by other representative.

1151.4. (a) Complaints, orders, and other process and papers of the board, its members, agents, or agency, may be served either personally or by registered mail or by telegraph, or by leaving a copy thereof at the principal office or place of business of the person required to be served. The verified return by the individual so serving the same setting forth the manner of such service shall be proof of the same, and the return post office receipt or telegraph receipt therefor when registered and mailed or telegraphed as provided in this subdivision shall be proof of service of the same. Witnesses summoned before the board, its members, agents, or agency, shall be paid the same fees and mileage that are paid witnesses in the courts of the state, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the state.

(b) All process of any court to which application may be made under this part may be served in the county where the defendant or other person required to be served resides or may be found.

1151.5. The several departments and agencies of the state upon request by the board, shall furnish the board all records, papers, and information in their possession, not otherwise privileged, relating to any matter before the board.

1151.6. Any person who shall willfully resist, prevent, impede, or interfere with any member of the board or any of its agents or agencies in the performance of duties pursuant to this part shall be guilty of a misdemeanor, and shall be punished by a fine of not more than five thousand (\$5,000) dollars.

#### CHAPTER 3. RIGHTS OF AGRICULTURAL EMPLOYEES

1152. Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or of mutual aid or protection, and shall also have the right to refrain from any or all of such activities except to the extent that such right may be affected by an agreement requiring membership in a labor organization as a condition of continued employment as authorized in subdivision (c) of Section 1153.

1152.2. The Board shall consider the rights of employees under this section to include the right to access by union organizers to the premises of an agricultural employer for the purpose of organizing, subject to the following limitations:

a. Organizers may enter the property of an employer for a total period of 60 minutes before the start of work and 60 minutes after the completion of work to meet and talk with employees in areas in which employees congregate before and after working.

b. In addition, organizers may enter the employer's property for a total period of one hour during the working day for the purpose of meeting and talking with employees during their lunch period, at such location or locations as the employees eat their lunch. If there is an established lunch break, the one-hour period shall include such lunch break. If there is no established lunch break, the one-hour period may be at any time during the working day.

c. Access shall be limited to two organizers for each work crew on the property, provided that if there are more than 30 workers in a crew, there may be one additional organizer for every 15 additional workers.

d. Upon request, organizers shall identify themselves by name and labor organization to the employer or his agent. Organizers shall also wear a badge or other designation of affiliation.

e. The right of access shall not include conduct disruptive of the employer's property or agricultural operations, including injury to crops or machinery. Speech by itself shall not be considered disruptive conduct. Disruptive conduct by particular organizers shall not be grounds for expelling organizers not engaged in such conduct, nor for preventing future access.

#### CHAPTER 4. UNFAIR LABOR PRACTICES AND REGULATION OF SECONDARY BOYCOTTS

1153. It shall be an unfair labor practice for an agricultural employer to do any of the following:

(a) To interfere with, restrain, or coerce agricultural employee. the exercise of the rights guaranteed in Section 1152.

(b) To dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to

it. However, subject to such rules and regulations as may be made and published by the board pursuant to Section 1144, an agricultural employer shall not be prohibited from permitting agricultural employees to confer with him during working hours without loss of time or pay.

(c) By discrimination in regard to the hiring or tenure of employment, or any term or condition of employment, to encourage or discourage membership in any labor organization.

Nothing in this part, or in any other statute of this state, shall include an agricultural employer from making an agreement with a labor organization (not established, maintained, or assisted by any action defined in this section as an unfair labor practice) to require as a condition of employment, membership therein on or after the fifth day following the beginning of such employment, or the effective date of such agreement whichever is later, if such labor organization is the representative of the agricultural employees as provided in Section 1156 in the appropriate collective-bargaining unit covered by such agreement. No employee who has been required to pay dues to a labor organization by virtue of his employment as an agricultural worker during any calendar month, shall be required to pay dues to another labor organization by virtue of similar employment during such month. For purposes of this chapter, membership shall mean the satisfaction of all reasonable terms and conditions uniformly applicable to other members in good standing; provided, that such membership shall not be denied or terminated except in compliance with a constitution or bylaws which afford full and fair rights to speech, assembly, and equal voting and membership privileges for all members, and which contain adequate procedures to assure due process to members and applicants for membership.

(d) To discharge or otherwise discriminate against an agricultural employee because he has filed charges or given testimony under this part.

(e) To refuse to bargain collectively in good faith with labor organizations certified pursuant to the provisions of Chapter 5 (commencing with Section 1156) of this part.

(f) To recognize, bargain with, or sign a collective-bargaining agreement with any labor organization not certified pursuant to the provisions of this part.

1154. It shall be an unfair labor practice for a labor organization or its agents to do any of the following:

(a) To restrain or coerce:

(1) Agricultural employees in the exercise of the rights guaranteed in Section 1152. This paragraph shall not impair the right of a labor organization to prescribe its own rules with respect to the acquisition or retention of membership therein.

(2) An agricultural employer in the selection of his representatives for the purposes of collective bargaining or the adjustment of grievances.

(b) To cause or attempt to cause an agricultural employer to discriminate against an employee in violation of subdivision (c) of Section 1153, or to discriminate against an employee with respect to whom membership in such organization has been denied or terminated for reasons other than failure to satisfy the membership requirements specified in subdivision (c) of Section 1153.

(c) To refuse to bargain collectively in good faith with an agricultural employer, provided it is the representative of his employees subject to the provisions of Chapter 5 (commencing with Section 1156) of this part.

(d) To do either of the following: (i) To engage in, or to induce or encourage any individual employed by any person to engage in, a strike or a refusal in the course of his employment to use, manufacture, process, transport, or otherwise handle or work on any goods, articles, materials, or commodities, or to perform any services; or (ii) to threaten, coerce, or restrain any person; where in either case (i) or (ii) an object thereof is any of the following:

(1) Forcing or requiring any employer or self-employed person to join any labor or employer organization or to enter into any agreement which is prohibited by Section 1154.5.

(2) Forcing or requiring any person to cease using, selling, transporting, or otherwise dealing in the products of any other producer, processor, or manufacturer, or to cease doing business with any other person, or forcing or requiring any other employer to recognize or bargain with a labor organization as the representative of his employees unless such labor organization has been certified as the representative of such employees. Nothing contained in this paragraph shall be construed to make unlawful, where not otherwise unlawful, any primary strike or primary picketing.

(3) Forcing or requiring any employer to recognize or bargain with a particular labor organization as the representative of his agricultural employees if another labor organization has been certified as the representative of such employees under the provisions of Chapter 5 (commencing with Section 1156) of this part.

(4) Forcing or requiring any employer to assign particular work to employees in a particular labor organization or in a particular trade, craft, or class, unless such employer is failing to conform to an order of certification of the board determining the bargaining representative for employees performing such work.

Nothing contained in this subdivision (d) shall be construed to prohibit publicity, including picketing for the purpose of truthfully advising the public, including consumers, that a product or products or ingredients thereof are produced by an agricultural employer with whom the labor organization has a primary dispute and are distributed by another employer, as long as such publicity does not have an effect of inducing any individual employed by any person other than the primary employer in the course of his employment to refuse to pick up, deliver, or transport any goods, or not to perform any services at the establishment of the employer engaged in such distribution, and as long as such publicity does not have the effect of requesting the public to cease patronizing such other employer.

However, publicity which includes picketing and has the effect of requesting the public to cease patronizing such other employer, shall be permitted only if the labor organization is currently certified as the representative of the primary employer's employees.

Further, publicity other than picketing, but including peaceful distribution of literature which has the effect of requesting the public to cease patronizing such other employer, shall be permitted only if the labor organization has not lost an election for the primary employer's employees within the preceding 12-month period, and no other labor organization is currently certified as the representative of the primary employer's employees.

Nothing contained in this subdivision (d) shall be construed to prohibit publicity, including picketing, which may not be prohibited under the United States Constitution or the California Constitution.

Nor shall anything in this subdivision (d) be construed to apply or be applicable to any labor organization in its representation of workers who are not agricultural employees. Any such labor organization shall continue to be governed in its intrastate activities for nonagricultural workers by Section 923 and applicable judicial precedents.

(e) To require of employees covered by an agreement authorized under subdivision (c) of Section 1153 the payment, as a condition precedent to becoming a member of such organization, of a fee in an amount which the board finds excessive or discriminatory under all circumstances. In making such a finding, the board shall consider, among other relevant factors, the practices and customs of labor organizations in the agriculture industry and the wages currently paid to the employees affected.

(f) To cause or attempt to cause an agricultural employer to pay or deliver, or agree to pay or deliver, any money or other thing of value, in the nature of an exaction, for services which are not performed or not to be performed.

(g) To picket or cause to be picketed, or threaten to picket or cause to be picketed, any employer where an object thereof is either forcing or requiring an employer to recognize or bargain with a labor organization as the representative of his employees, or forcing or requiring the employees of an employer to accept or select such labor organization as their collective-bargaining representative, unless such labor organization is currently certified as the representative of such employees, in any of the following cases:

(1) Where the employer has lawfully recognized in accordance with this part any other labor organization and a question concerning representation may not appropriately be raised under Section 1156.3.

(2) Where within the preceding 12 months a valid election under Chapter 5 (commencing with Section 1156) of this part has been conducted.

Nothing in this subdivision shall be construed to prohibit any picketing or other publicity for the purpose of truthfully advising the public (including consumers) that an employer does not employ members of, or have a contract with, a labor organization, unless an effect of such picketing is to induce any individual employed by any other person in the course of his employment, not to pick up, deliver, or transport any goods or not to perform any services.

Nothing in this subdivision (g) shall be construed to permit any act which would otherwise be an unfair labor practice under this section.

(h) To picket or cause to be picketed, or threaten to picket or cause to be picketed, any employer where an object thereof is either forcing or requiring an employer to recognize or bargain with the labor organization as a representative of his employees unless such labor organization is currently certified as the collective-bargaining representative of such employees.

(i) Nothing contained in this section shall be construed to make unlawful a refusal by any person to enter upon the premises of any agricultural employer, other than his own employer, if the employees of such employer are engaged in a strike ratified or approved by a representative of such employees whom such employer is required to recognize under this part.

1154.5. It shall be an unfair labor practice for any labor organization which represents the employees of the employer and such employer to enter into any contract or agreement, express or implied, whereby such employer ceases or refrains, or agrees to cease or refrain, from handling, using, selling, transporting, or otherwise dealing in any of the products of any other employer, or to cease doing business with any other person, and any contract or agreement entered into heretofore or hereafter containing such an agreement



shall be, to such extent, unenforceable and void. Nothing in this section shall apply to an agreement between a labor organization and an employer relating to a supplier of an ingredient or ingredients which are integrated into a product produced or distributed by such employer where the labor organization is certified as the representative of the employees of such supplier, but no collective-bargaining agreement between such supplier and such labor organization is in effect. Further, nothing in this section shall apply to an agreement between a labor organization and an agricultural employer relating to the contracting or subcontracting of work to be done at the site of the farm and related operations. Nothing in this part shall prohibit the enforcement of any agreement which is within the foregoing exceptions.

Nor shall anything in this section be construed to apply or be applicable to any labor organization in its representation of workers who are not agricultural employees. Any such labor organization shall continue to be governed in its intrastate activities for nonagricultural workers by Section 923 and applicable judicial precedents.

1154.6. It shall be an unfair labor practice for an employer or labor organization, or their agents, willfully to arrange for persons to become employees for the primary purpose of voting in elections.

1155. The expressing of any views, arguments, or opinions, or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute evidence of an unfair labor practice under the provisions of this part, if such expression contains no threat of reprisal or force, or promise of benefit.

1155.2. (a) For purposes of this part, to bargain collectively in good faith is the performance of the mutual obligation of the agricultural employer and the representative of the agricultural employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or any questions arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession.

(b) Upon the filing by any person of a petition not earlier than the 90th day nor later than the 60th day preceding the expiration of the 12-month period following initial certification, the board shall determine whether an employer has bargained in good faith with the currently certified labor organization. If the board finds that the employer has not bargained in good faith, it may extend the certification for up to one additional year, effective immediately upon the expiration of the previous 12-month period following initial certification.

1155.3. (a) Where there is in effect a collective-bargaining contract covering agricultural employees, the duty to bargain collectively shall also mean that no party to such contract shall terminate or modify such contract, unless the party desiring such termination or modification does all of the following:

(1) Serves a written notice upon the other party to the contract of the proposed termination or modification not less than 60 days prior to the expiration date thereof, or, in the event such contract contains no expiration date, 60 days prior to the time it is proposed to make such termination or modification.

(2) Offers to meet and confer with the other party for the purpose of negotiating a new contract or a contract containing the proposed modifications.

(3) Notifies the Conciliation Service of the State of California within 30 days after such notice of the existence of a dispute, provided no agreement has been reached by that time.

(4) Continues in full force and effect, without resorting to strike or lockout, all the terms and conditions of the existing contract, for a period of 60 days after such notice is given, or until the expiration date of such contract, whichever occurs later.

(b) The duties imposed upon agricultural employers and labor organizations by paragraphs (2), (3), and (4) of subdivision (a) shall become inapplicable upon an intervening certification of the board that the labor organization or individual which is a party to the contract has been superseded as, or has ceased to be the representative of the employees, subject to the provisions of Chapter 5 (commencing with Section 1156) of this part, and the duties so imposed shall not be construed to require either party to discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period, if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract. Any agricultural employee who engages in a strike within the 60-day period specified in this section shall lose his status as an agricultural employee of the agricultural employer engaged in the particular labor dispute, for the purposes of Section 1153 to 1154 inclusive, and Chapters 5 (commencing with Section 1156) and 6 (commencing with Section 1160) of this part, but such loss of status for such employee shall terminate if and when he is reemployed by such employer.

1155.4. It shall be unlawful for any agricultural employer or association of agricultural employers, or any person who acts as a labor relations expert, adviser, or consultant to an agricultural employer, or who acts in the interest of an agricultural employer, to

pay, lend, or deliver, any money or other thing of value to any of the following:

(a) Any representative of any of his agricultural employees.

(b) Any agricultural labor organization, or any officer or employee thereof, which represents, seeks to represent, or would admit to membership, any of the agricultural employees of such employer.

(c) Any employee or group or committee of employees of such employer in excess of their normal compensation for the purpose of causing such employee or group or committee directly or indirectly to influence any other employees in the exercise of the right to organize and bargain collectively through representatives of their own choosing.

(d) Any officer or employee of an agricultural labor organization with intent to influence him in respect to any of his actions, decisions, or duties as a representative of agricultural employees or as such officer or employee of such labor organization.

1155.5. It shall be unlawful for any person to request, demand, receive, or accept, or agree to receive or accept, any payment, loan, or delivery of any money or other thing of value prohibited by Section 1155.4.

1155.6. Nothing in Section 1155.4 or 1155.5 shall apply to any matter set forth in subsection (c) of Section 186 of Title 29 of the United States Code.

1155.7. Nothing in this chapter shall be construed to apply or be applicable to any labor organization in its representation of workers who are not agricultural employees. Any such labor organization shall continue to be governed in its intrastate activities for nonagricultural workers by Section 923 and applicable judicial precedents.

#### CHAPTER 5. LABOR REPRESENTATIVES AND ELECTIONS

1156. Representatives designated or selected by a secret ballot for the purposes of collective bargaining by the majority of the agricultural employees in the bargaining unit shall be the exclusive representatives of all the agricultural employees in such unit for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, or other conditions of employment. Any individual agricultural employee or a group of agricultural employees shall have the right at any time to present grievances to their agricultural employer and to have such grievances adjusted, without the intervention of the bargaining representative, as long as the adjustment is not inconsistent with the terms of a collective-bargaining contract or agreement then in effect, if the bargaining representative has been given opportunity to be present at such adjustment.

1156.2. The bargaining unit shall be all the agricultural employees of an employer. If the agricultural employees of the employer are employed in two or more noncontiguous geographical areas, the board shall determine the appropriate unit or units of agricultural employees in which a secret ballot election shall be conducted.

1156.3. (a) A petition which is either signed by, or accompanied by authorization cards signed by, a majority of the currently employed employees in the bargaining unit may be filed in accordance with such rules and regulations as may be prescribed by the board, by an agricultural employee or group of agricultural employees, or any individual or labor organization acting in their behalf alleging all the following:

(1) That the number of agricultural employees currently employed by the employer named in the petition, as determined from his payroll immediately preceding the filing of the petition, is not less than 50 percent of his peak agricultural employment for the current calendar year.

(2) That no valid election pursuant to this section or the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975 has been conducted among the agricultural employees of the employer named in the petition within the 12 months immediately preceding the filing thereof.

(3) That no labor organization is currently certified as the exclusive collective-bargaining representative of the agricultural employees of the employer named in the petition.

(4) That the petition is not barred by an existing collective-bargaining agreement.

Upon receipt of such a signed petition, the board shall immediately investigate such petition, and, if it has reasonable cause to believe that a bona fide question of representation exists, it shall direct a representation election by secret ballot to be held, upon due notice to all interested parties and within a maximum of seven days of the filing of the petition. If at the time the election petition is filed a majority of the employees in a bargaining unit are engaged in a strike, the board shall, with all due diligence, attempt to hold a secret ballot election within 48 hours of the filing of such petition. The holding of elections under strike circumstances shall take precedence over the holding of other secret ballot elections.

The board shall make available at any election under this chapter ballots printed in English and Spanish. The board may also make available at such election ballots printed in any other language as may be requested by an agricultural labor organization, or agricultural employee eligible to vote under this part. Every election ballot, except ballots in runoff elections where the choice is between labor organizations, shall provide the employee with the opportunity to

vote against representation by a labor organization by providing an appropriate space designated "No Labor Organizations".

(b) Any other labor organization shall be qualified to appear on the ballot if it presents authorization cards signed by at least 20 percent of the employees in the bargaining unit at least 24 hours prior to the election.

(c) Within five days after an election, any person may file with the board a signed petition asserting that allegations made in the petition pursuant to subdivision (a) were incorrect, that the board improperly determined the geographical scope of the bargaining unit, or objecting to the conduct of the election or conduct affecting the results of the election.

Upon receipt of a petition under this subdivision, the board, upon due notice, shall conduct a hearing to determine whether the election shall be certified. Such hearing may be conducted by an officer or employee of a regional office of the board. He shall make no recommendations with respect thereto. If the board finds, on the record of such hearing, that any of the assertions made in the petition filed pursuant to this subdivision are correct, or that the election was not conducted properly, or misconduct affecting the results of the election occurred, the board may refuse to certify the election. Unless the board determines that there are sufficient grounds to refuse to do so, it shall certify the election.

(d) If no petition is filed pursuant to subdivision (c) within five days of the election the board shall certify the election.

(e) The board shall decertify a labor organization if the United States Equal Employment Opportunity Commission has found, pursuant to Section 2000(e)(5) of Title 42 of the United States Code, that the labor organization engaged in discrimination on the basis of race, color, national origin, religion, sex or any other arbitrary or invidious classification in violation of Subchapter VI of Chapter 21 of Title 42 of the United States Code during the period of such labor organization's present certification.

1156.4. Recognizing that agriculture is a seasonal occupation for a majority of agricultural employees, and wishing to provide the fullest scope for employees' enjoyment of the rights included in this part, the board shall not consider a representation petition or a petition to decertify as timely filed unless the employer's payroll reflects 50 percent of the peak agricultural employment for such employer for the current calendar year for the payroll period immediately preceding the filing of the petition.

In this connection, the peak agricultural employment for the prior season shall alone not be a basis for such determination, but rather the board shall estimate peak employment on the basis of acreage and crop statistics which shall be applied uniformly throughout the State of California and upon all other relevant data.

1156.5. The board shall not direct an election in any bargaining unit where a valid election has been held in the immediately preceding 12-month period.

1156.6. The board shall not direct an election in any bargaining unit which is represented by a labor organization that has been certified within the immediately preceding 12-month period or whose certification has been extended pursuant to subdivision (b) of Section 1155.2.

1156.7. (a) No collective-bargaining agreement executed prior to August 28, 1975 shall bar a petition for an election.

(b) A collective-bargaining agreement executed by an employer and a labor organization certified as the exclusive bargaining representative of his employees pursuant to this chapter shall be a bar to a petition for an election among such employees for the term of the agreement, but in any event such bar shall not exceed three years, provided that both the following conditions are met:

(1) The agreement is in writing and executed by all parties thereto.

(2) It incorporates the substantive terms and conditions of employment of such employees.

(c) Upon the filing with the board by an employee or group of employees of a petition signed by 50 percent or more of the agricultural employees in a bargaining unit represented by a certified labor organization which is a party to a valid collective-bargaining agreement, requesting that such labor organization be decertified, the board shall conduct an election by secret ballot pursuant to the applicable provisions of this chapter, and shall certify the results to such labor organization and employer.

However, such a petition shall not be deemed timely unless it is filed during the year preceding the expiration of a collective-bargaining agreement which would otherwise bar the holding of an election, and when the number of agricultural employees is not less than 50 percent of the employer's peak agricultural employment for the current calendar year.

(d) Upon the filing with the board of a signed petition by an agricultural employee or group of agricultural employees, or any individual or labor organization acting in their behalf, accompanied by authorization cards signed by a majority of the employees in an appropriate bargaining unit, and alleging all the conditions of paragraphs (1), (2), and (3), the board shall immediately investigate such petition and, if it has reasonable cause to believe that a bona fide question of representation exists, it shall direct an election by secret ballot pursuant to the applicable provisions of this chapter:

(1) That the number of agricultural employees currently employed by the employer named in the petition, as determined from his payroll immediately preceding the filing of the petition, is not less than 50 percent of his peak agricultural employment for the current calendar year.

(2) That no valid election pursuant to this section or the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975 has been conducted among the agricultural employees of the employer named in the petition within the 12 months immediately preceding the filing thereof.

(3) That a labor organization, certified for an appropriate unit, has a collective-bargaining agreement with the employer which would otherwise bar the holding of an election and that this agreement will expire within the next 12 months.

1157. All agricultural employees of the employer whose names appear on the payroll applicable to the payroll period immediately preceding the filing of the petition of such an election shall be eligible to vote. An economic striker shall be eligible to vote under such regulations as the board shall find are consistent with the purposes and provisions of this part in any election, provided that the striker who has been permanently replaced shall not be eligible to vote in any election conducted more than 12 months after the commencement of the strike.

In the case of elections conducted within 18 months of August 28, 1975 which involve labor disputes which commenced prior to that date, the board shall have the jurisdiction to adopt fair, equitable, and appropriate eligibility rules, which shall effectuate the policies of this part, with respect to the eligibility of economic strikers who were paid for work performed or for paid vacation during the payroll period immediately preceding the expiration of a collective-bargaining agreement or the commencement of a strike; provided, however, that in no event shall the board afford eligibility to any such striker who has not performed any services for the employer during the 36-month period immediately following August 28, 1975.

1157.2. In any election where none of the choices on the ballot receives a majority, a runoff shall be conducted, the ballot providing for a selection between the two choices receiving the largest and second largest number of valid votes cast in the election.

1157.3. Employers shall maintain accurate and current payroll lists containing the names and addresses of all their employees, and shall make such lists available to the board upon request.

The board shall make such lists available to any person who files a notice of intent to petition for an election accompanied by a reasonable showing of interest. The board shall by regulation determine what constitutes a reasonable showing for purposes of this paragraph.

The board shall require strict compliance with this section.

1158. Whenever an order of the board made pursuant to Section 1160.3 is based in whole or in part upon the facts certified following an investigation pursuant to Sections 1156.3 to 1157.2 inclusive, and there is a petition for review of such order, such certification and the record of such investigation shall be included in the transcript of the entire record required to be filed under Section 1160.8 and thereupon the decree of the court enforcing, modifying, or setting aside in whole or in part the order of the board shall be made and entered upon the pleadings, testimony, and proceedings set forth in such transcript.

1159. In order to assure the full freedom of association, self-organization, and designation of representatives of the employees own choosing, only labor organizations certified pursuant to this part shall be parties to a legally valid collective-bargaining agreement.

#### CHAPTER 6. PREVENTION OF UNFAIR LABOR PRACTICES AND JUDICIAL REVIEW AND ENFORCEMENT

1160. The board is empowered, as provided in this chapter, to prevent any person from engaging in any unfair labor practice, as set forth in Chapter 4 (commencing with Section 1153) of this part.

1160.2. Whenever it is charged that any person has engaged in or is engaging in any such unfair labor practice, the board, or any agent or agency designated by the board for such purposes, shall have power to issue and cause to be served upon such person a complaint stating the charges in that respect, and containing a notice of hearing before the board or a member thereof, or before a designated agency or agencies, at a place therein fixed, not less than five days after the serving of such complaint. No complaint shall issue based upon any unfair labor practice occurring more than six months prior to the filing of the charge with the board and the service of a copy thereof upon the person against whom such charge is made, unless the person aggrieved thereby was prevented from filing such charge by reason of service in the armed forces, in which event the six-month period shall be computed from the day of his discharge. Any such complaint may be amended by the member, agent, or agency conducting the hearing, or the board in its discretion, at any time prior to the issuance of an order based thereon. The person so complained against shall have the right to file an answer to the original or amended complaint and to appear in person or otherwise and give testimony at the place and time fixed in the complaint. In the discretion of the member, agent, or agency conducting the hearing or the board, any other person may be allowed to intervene in the proceeding and to present

testimony. Any such proceeding shall, so far as practicable, be conducted in accordance with the Evidence Code. All proceedings shall be appropriately reported.

1160.3. The testimony taken by such member, agent, or agency, or the board in such hearing shall be reduced to writing and filed with the board. Thereafter, in its discretion, the board, upon notice, may take further testimony or hear argument. If, upon the preponderance of the testimony taken, the board shall be of the opinion that any person named in the complaint has engaged in or is engaging in any such unfair labor practice, the board shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair labor practice, to take affirmative action, including reinstatement of employees with or without backpay, and making employees whole, when the board deems such relief appropriate, for the loss of pay resulting from the employer's refusal to bargain, and to provide such other relief as will effectuate the policies of this part. Furthermore in appropriate cases the Board may award treble damages. Where an order directs reinstatement of an employee, backpay may be required of the employer or labor organization, as the case may be, responsible for the discrimination suffered by him. Such order may further require such person to make reports from time to time showing the extent to which it has complied with the order. If, upon the preponderance of the testimony taken, the board shall be of the opinion that the person named in the complaint has not engaged in or is not engaging in any unfair labor practice, the board shall state its findings of fact and shall issue an order dismissing the complaint. No order of the board shall require the reinstatement of any individual as an employee who has been suspended or discharged, or the payment to him of any backpay, if such individual was suspended or discharged for cause. In case the evidence is presented before a member of the board, or before an administrative law officer thereof, such member, or such administrative law officer, as the case may be, shall issue and cause to be served on the parties to the proceedings a proposed report, together with a recommended order, which shall be filed with the board, and, if no exceptions are filed within 20 days after service thereof upon such parties, or within such further period as the board may authorize, such recommended order shall become the order of the board and become effective as therein prescribed.

Until the record in a case shall have been filed in a court, as provided in this chapter, the board may, at any time upon reasonable notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any finding or order made or issued by it.

1160.4. The board shall have power, upon issuance of a complaint as provided in Section 1160.2 charging that any person has engaged in or is engaging in an unfair labor practice, to petition the superior court in any county wherein the unfair labor practice in question is alleged to have occurred, or wherein such person resides or transacts business, for appropriate temporary relief or restraining order. Upon the filing of any such petition, the board shall cause notice thereof to be served upon such person, and thereupon the court shall have jurisdiction to grant to the board such temporary relief or restraining order as the court deems just and proper.

1160.5. Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of paragraph (4) of subdivision (d) of Section 1154, the board is empowered and directed to hear and determine the dispute out of which such unfair labor practice shall have arisen, unless within 10 days after notice that such charge has been filed, the parties to such dispute submit to the board satisfactory evidence that they have adjusted, or agreed upon methods for the voluntary adjustment of the dispute. Upon compliance by the parties to the dispute with the decision of the board or upon such voluntary adjustment of the dispute, such charge shall be dismissed.

1160.6. Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of paragraph (1), (2), or (3) of subdivision (d), or of subdivision (g), of Section 1154, or of Section 1155, the preliminary investigation of such charge shall be made forthwith and given priority over all other cases except cases of like character in the office where it is filed or to which it is referred. If, after such investigation, the officer or regional attorney to whom the matter may be referred has reasonable cause to believe such charge is true and that a complaint should issue, he shall, on behalf of the board, petition the superior court in the county in which the unfair labor practice in question has occurred, is alleged to have occurred, or where the person alleged to have committed the unfair labor practice resides or transacts business, for appropriate injunctive relief pending the final adjudication of the board with respect to the matter. The officer or regional attorney shall make all reasonable efforts to advise the party against whom the restraining order is sought of his intention to seek such order at least 24 hours prior to doing so. In the event the officer or regional attorney has been unable to advise such party of his intent at least 24 hours in advance, he shall submit a declaration to the court under penalty of perjury setting forth in detail the efforts he has made. Upon the filing of any such petition, the superior court shall have jurisdiction to grant such injunctive relief or temporary restraining order as it deems just and proper. Upon the filing of any such petition, the board shall cause

notice thereof to be served upon any person involved in the charge and such person, including the charging party, shall be given an opportunity to appear by counsel and present any relevant testimony. For the purposes of this section, the superior court shall be deemed to have jurisdiction of a labor organization either in the county in which such organization maintains its principal office, or in any county in which its duly authorized officers or agents are engaged in promoting or protecting the interests of employee members. The service of legal process upon such officer or agent shall constitute service upon the labor organization and make such organization a party to the suit. In situations where such relief is appropriate, the procedure specified herein shall apply to charges with respect to paragraph (4) of subdivision (d) of Section 1154.

1160.7. Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of subdivision (c) of Section 1153 or subdivision (b) of Section 1154, such charge shall be given priority over all other cases except cases of like character in the office where it is filed or to which it is referred and cases given priority under Section 1160.6.

1160.8. Any person aggrieved by the final order of the board granting or denying in whole or in part the relief sought may obtain a review of such order in the court of appeal having jurisdiction over the county wherein the unfair labor practice in question was alleged to have been engaged in, or wherein such person resides or transacts business, by filing in such court a written petition requesting that the order of the board be modified or set aside. Such petition shall be filed with the court within 30 days from the date of the issuance of the board's order. Upon the filing of such petition, the court shall cause notice to be served upon the board and thereupon shall have jurisdiction of the proceeding. The board shall file in the court the record of the proceeding, certified by the board within 10 days after the clerk's notice unless such time is extended by the court for good cause shown. The court shall have jurisdiction to grant to the board such temporary relief or restraining order it deems just and proper and in like manner to make and enter a decree enforcing, modifying and enforcing as so modified, or setting aside in whole or in part, the order of the board. The findings of the board with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall in like manner be conclusive.

An order directing an election shall not be stayed pending review, but such order may be reviewed as provided in Section 1158.

If the time for review of the board order has lapsed, and the person has not voluntarily complied with the board's order, the board may apply to the superior court in any county in which the unfair labor practice occurred or wherein such person resides or transacts business for enforcement of its order. If after hearing, the court determines that the order was issued pursuant to procedure established by the board and that the person refuses to comply with the order, the court shall enforce such order by writ of injunction or other proper process. The court shall not review the merits of the order.

1160.9. The procedures set forth in this chapter shall be the exclusive method of redressing unfair labor practices.

#### CHAPTER 7. SUITS INVOLVING EMPLOYERS AND LABOR ORGANIZATIONS

1165. (a) Suits for violation of contracts between an agricultural employer and an agricultural labor organization representing agricultural employees, as defined in this part, or between any such labor organizations, may be brought in any superior court having jurisdiction of the parties, without respect to the amount in controversy.

(b) Any agricultural labor organization which represents agricultural employees and any agricultural employer shall be bound by the acts of its agents. Any such labor organization may sue or be sued as an entity and in behalf of the employees whom it represents in the courts of this state. Any money judgment against a labor organization in a superior court shall be enforceable only against the organization as an entity and against its assets, and shall not be enforceable against any individual member or his assets.

1165.2. For the purpose of this part, the superior court shall have jurisdiction over a labor organization in this state if such organization maintains its principal office in this state, or if its duly authorized officers or agents are engaged in representing or acting for employee members.

1165.3. The service of summons, subpoena, or other legal process of any superior court upon an officer or agent of a labor organization, in his capacity as such, shall constitute service upon the labor organization.

1165.4. For the purpose of this part, in determining whether any person is acting as an agent of another person so as to make such other person responsible for his acts, the question of whether the specific acts performed were actually authorized or subsequently ratified shall not be controlling.

#### CHAPTER 8. LIMITATIONS

1166. Nothing in this part, except as specifically provided herein, shall be construed so as either to interfere with or impede or diminish in any way the right to strike, or to affect the limitations or qualifications on such right.

1166.2. Nothing in this part shall prohibit any individual employed as a supervisor from becoming or remaining a member of a labor organization, but no employer subject to this part shall be compelled to deem individuals defined herein as supervisors as employees for the purpose of any law, either national or local, relating to collective bargaining.

1166.3. (a) If any provision of this part, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of this part, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

(b) If any act of the Legislature shall conflict with the provisions of this part, this part shall prevail.

SEC. 3. The Legislature shall appropriate such amounts to the Agricultural Labor Relations Board as may be necessary to carry out the provisions of this part. No obligation is created by this part under Section 2231 of the Revenue and Taxation Code for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by this part.

SECTION 4. The Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975 is hereby repealed.

SECTION 1. In enacting this legislation the people of the State of California seek to ensure peace in the agricultural fields by guaranteeing justice for all agricultural workers and stability in labor relations.

This enactment is intended to bring certainty and a sense of fair play to a presently unstable and potentially volatile condition in the state. The Legislature recognizes that no law in itself resolves social injustices and economic dislocations.

However, in the belief the people affected desire a resolution to this dispute and will make a sincere effort to work through the procedures established in this legislation, it is the hope of the Legislature that farm laborers, farmers, and all the people of California will be served by the provisions of this act.

SEC. 1.5. It is the intent of the Legislature that collective bargaining agreements between agricultural employers and labor organizations representing the employees of such employers entered into prior to the effective date of this legislation and continuing beyond such date are not to be automatically canceled, terminated or voided on that effective date; rather, such a collective bargaining agreement otherwise lawfully entered into and enforceable under the laws of this state shall be void upon the Agricultural Labor Relations Board certification of that election after the filing of an election petition by such employees pursuant to Section 1156.3 of the Labor Code.

2. Part 2.5 (commencing with Section 1140) is added to Division 3 of the Labor Code, to read:

#### PART 2.5. AGRICULTURAL LABOR RELATIONS

##### CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

1140. This part shall be known and may be referred to as the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975.

1140.2. It is hereby stated to be the policy of the State of California to encourage and protect the right of agricultural employees to full freedom of association, self-organization, and designation of representatives of their own choosing, to negotiate the terms and conditions of their employment, and to be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. For this purpose this part is adopted to provide for collective bargaining rights for agricultural employees.

1140.4. As used in this part:

(a) The term "agriculture" includes farming in all its branches, and, among other things, includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in Section 1141(g) of Title 12 of the United States Code); the raising of livestock, bees, fur-bearing animals, or poultry; and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market and delivery to storage or to market or to carriers for transportation to market.

(b) The term "agricultural employee" or "employee" shall mean one engaged in agriculture, as such term is defined in subdivision (a). However, nothing in this subdivision shall be construed to include any person other than those employees excluded from the coverage of the National Labor Relations Act, as amended, as agricultural employees, pursuant to Section 2(3) of the Labor Management Relations Act (Section 152(3), Title 29, United States Code), and Section 3(f) of the Fair Labor Standards Act (Section 203(f), Title 29, United States Code).

Further, nothing in this part shall apply, or be construed to apply, to any employee who performs work to be done at the site of the construction, alteration, painting, or repair of a building, structure, or other work (as these terms have been construed under Section 8(e)

of the Labor Management Relations Act, 29 USC Section 158(e)) or logging or timber-clearing operations in initial preparation of land for farming, or who does land leveling or only land surveying for any of the above.

As used in this subdivision, "land leveling" shall include only major land moving operations changing the contour of the land, but shall not include annual or seasonal tillage or preparation of land for cultivation.

(c) The term "agricultural employer" shall be liberally construed to include any person acting directly or indirectly in the interest of an employer in relation to an agricultural employee, any individual grower, corporate grower, cooperative grower, harvesting association, hiring association, land management group, any association of persons or cooperatives engaged in agriculture, and shall include any person who owns or leases or manages land used for agricultural purposes, but shall exclude any person supplying agricultural workers to an employer, any farm labor contractor as defined by Section 1692, and any person functioning in the capacity of a labor contractor. The employer engaging such labor contractor or person shall be deemed the employer for all purposes under this part.

(d) The term "person" shall mean one or more individuals, corporations, partnerships, associations, legal representatives, trustees in bankruptcy, receivers, or any other legal entity, employer, or labor organization having an interest in the outcome of a proceeding under this part.

(e) The term "representatives" includes any individual or labor organization.

(f) The term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists, in whole or in part, for the purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work for agricultural employees.

(g) The term "unfair labor practice" means any unfair labor practice specified in Chapter 4 (commencing with Section 1153) of this part.

(h) The term "labor dispute" includes any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee.

(i) The term "board" means Agricultural Labor Relations Board.

(j) The term "supervisor" means any individual having the authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or the responsibility to direct them, or to adjust their grievances, or effectively to recommend such action; if, in connection with the foregoing, the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

##### CHAPTER 2. AGRICULTURAL LABOR RELATIONS BOARD

###### Article 1. Agricultural Labor Relations Board: Organization

1141. (a) There is hereby created in state government the Agricultural Labor Relations Board, which shall consist of five members.

(b) The members of the board shall be appointed by the Governor with the advice and consent of the Senate. The term of office of the members shall be five years, and the terms shall be staggered at one-year intervals. Upon the initial appointment, one member shall be appointed for a term ending January 1, 1977; one member shall be appointed for a term ending January 1, 1978; one member shall be appointed for a term ending January 1, 1979; one member shall be appointed for a term ending January 1, 1980; and one member shall be appointed for a term ending January 1, 1981. Any individual appointed to fill a vacancy of any member shall be appointed only for the unexpired term of the member to whose term he is succeeding. The Governor shall designate one member to serve as chairperson of the board. Any member of the board may be removed by the Governor, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause.

1142. (a) The principal office of the board shall be in Sacramento, but it may meet and exercise any or all of its power at any other place in California.

(b) Besides the principal office in Sacramento, as provided in subdivision (a), the board may establish offices in such other cities as it shall deem necessary. The board may delegate to the personnel of these offices such powers as it deems appropriate to determine the unit appropriate for the purpose of collective bargaining; to investigate and provide for hearings; to determine whether a question of representation exists; to direct an election by a secret ballot pursuant to the provisions of Chapter 5 (commencing with Section 1156); and to certify the results of such election; and to investigate, conduct hearings and make determinations relating to unfair labor practices. The board may review any action taken pursuant to the authority delegated under this section upon a request for a review of such action filed with the board by an interested party.



Any such review made by the board shall not, unless specifically ordered by the board, operate as a stay of any action taken. The entire record considered by the board in considering or acting upon any such request or review shall be made available to all parties prior to such consideration or action; and the board's findings and action thereon shall be published as a decision of the board.

1143. The board shall, at the close of each fiscal year, make a report in writing to the Legislature and to the Governor stating in detail the cases it has heard; the decisions it has rendered; the names; salaries; and duties of all employees and officers in the employ or under the supervision of the board; and an account of all moneys it has disbursed.

1144. The board may from time to time make, amend, and rescind, in the manner prescribed in Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code, such rules and regulations as may be necessary to carry out the provisions of this part.

1145. The board may appoint an executive secretary and such attorneys; hearing officers; administrative law officers; and other employees as it may from time to time find necessary for the proper performance of its duties. Attorneys appointed pursuant to this section may, at the discretion of the board, appear for and represent the board in any case in court.

1146. The board is authorized to delegate to any group of three or more board members any or all the powers which it may itself exercise. A vacancy in the board shall not impair the right of the remaining members to exercise all the powers of the board; and three members shall at all times constitute a quorum. A vacancy shall be filled in the same manner as an original appointment.

1147. The annual salary of a member of the board shall be forty-two thousand five hundred dollars (\$42,500).

1148. The board shall follow applicable precedents of the National Labor Relations Act, as amended.

1149. There shall be a general counsel of the board who shall be appointed by the Governor, subject to confirmation by a majority of the Senate, for a term of four years. The general counsel shall have the power to appoint such attorneys; administrative assistants; and other employees as necessary for the proper exercise of his duties. The general counsel of the board shall exercise general supervision over all attorneys employed by the board (other than administrative law officers and legal assistants to board members); and over the officers and employees in the regional offices. He shall have final authority, on behalf of the board, with respect to the investigation of charges and issuance of complaints under Chapter 6 (commencing with Section 1160) of this part; and with respect to the prosecution of such complaints before the board. He shall have such other duties as the board may prescribe or as may be provided by law. In case of a vacancy in the office of the general counsel, the Governor is authorized to designate the officer or employee who shall act as general counsel during such vacancy; but no person or persons so designated shall so act either (1) for more than 40 days when the Legislature is in session unless a nomination to fill such vacancy shall have been submitted to the Senate; or (2) after the adjournment sine die of the session of the Senate in which such nomination was submitted.

1150. Each member of the board and the general counsel of the board shall be eligible for reappointment; and shall not engage in any other business, vocation, or employment.

#### Article 2. Investigatory Powers

1151. For the purpose of all hearings and investigations, which, in the opinion of the board, are necessary and proper for the exercise of the powers vested in it by Chapters 5 (commencing with Section 1156) and 6 (commencing with Section 1160) of this part:

(a) The board, or its duly authorized agents or agencies, shall at all reasonable times have access to, for the purpose of examination; and the right to copy, any evidence of any person being investigated or proceeded against that relates to any matter under investigation or in question. The members of the board or their designees or their duly authorized agents shall have the right of free access to all places of labor. The board, or any member thereof, shall upon application of any party to such proceedings, forthwith issue to such party subpoenas requiring the attendance and testimony of witnesses or the production of any evidence in such proceeding or investigation requested in such application. Within five days after the service of a subpoena on any person requiring the production of any evidence in his possession or under his control, such person may petition the board to revoke; and the board shall revoke such subpoena if in its opinion the evidence whose production is required does not relate to any matter under investigation; or any matter in question in such proceedings; or if in its opinion such subpoena does not describe with sufficient particularity the evidence whose production is required. Any member of the board, or any agent or agency designated by the board for such purposes, may administer oaths and affirmations; examine witnesses; and receive evidence. Such attendance of witnesses and the production of such evidence may be required from any place in the state at any designated place of hearing.

(b) In case of contumacy or refusal to obey a subpoena issued to any person, any superior court in any county within the jurisdiction

of which the inquiry is carried on; or within the jurisdiction of which such person allegedly guilty of contumacy or refusal to obey is found or resides or transacts business; shall, upon application by the board, have jurisdiction to issue to such person an order requiring such person to appear before the board, its member, agent, or agency; there to produce evidence if so ordered; or there to give testimony touching the matter under investigation or in question. Any failure to obey such order of the court may be punished by such court in contempt thereof.

1151.2. No person shall be excused from attending and testifying, or from producing books, records, correspondence, documents, or other evidence in obedience to the subpoena of the board, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. However, no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

1151.3. Any party shall have the right to appear at any hearing in person, by counsel, or by other representative.

1151.4. (a) Complaints, orders, and other process and papers of the board, its members, agents, or agency, may be served either personally or by registered mail or by telegraph, or by leaving a copy thereof at the principal office or place of business of the person required to be served. The verified return by the individual so serving the same setting forth the manner of such service shall be proof of the same; and the return post office receipt or telegraph receipt therefor when registered and mailed or telegraphed as provided in this subdivision shall be proof of service of the same. Witnesses summoned before the board, its members, agents, or agency, shall be paid the same fees and mileage that are paid witnesses in the courts of the state; and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the state.

(b) All process of any court to which application may be made under this part may be served in the county where the defendant or other person required to be served resides or may be found.

1151.5. The several departments and agencies of the state upon request by the board, shall furnish the board all records, papers, and information in their possession; not otherwise privileged; relating to any matter before the board.

1151.6. Any person who shall willfully resist, prevent, impede, or interfere with any member of the board or any of its agents or agencies in the performance of duties pursuant to this part shall be guilty of a misdemeanor, and shall be punished by a fine of not more than five thousand (\$5,000) dollars.

#### CHAPTER 2. RIGHTS OF AGRICULTURAL EMPLOYEES

1152. Employees shall have the right to self-organization; to form, join, or assist labor organizations; to bargain collectively through representatives of their own choosing; and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; and shall also have the right to refrain from any or all of such activities except to the extent that such right may be affected by an agreement requiring membership in a labor organization as a condition of continued employment as authorized in subdivision (c) of Section 1153.

#### CHAPTER 3. UNFAIR LABOR PRACTICES AND REGULATION OF SECONDARY BOYCOTTS

1153. It shall be an unfair labor practice for an agricultural employer to do any of the following:

(a) To interfere with, restrain, or coerce agricultural employees in the exercise of the rights guaranteed in Section 1152.

(b) To dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it. However, subject to such rules and regulations as may be made and published by the board pursuant to Section 1144, an agricultural employer shall not be prohibited from permitting agricultural employees to confer with him during working hours without loss of time or pay.

(c) By discrimination in regard to the hiring or tenure of employment, or any term or condition of employment, to encourage or discourage membership in any labor organization.

Nothing in this part, or in any other statute of this state, shall preclude an agricultural employer from making an agreement with a labor organization (not established, maintained, or assisted by any action defined in this section as an unfair labor practice) to require as a condition of employment, membership therein on or after the fifth day following the beginning of such employment; or the effective date of such agreement whichever is later, if such labor organization is the representative of the agricultural employees as provided in Section 1156 in the appropriate collective bargaining unit covered by such agreement. No employee who has been required to pay dues to a labor organization by virtue of his employment as agricultural worker during any calendar month, shall be required to pay dues to another labor organization by virtue of similar employment during such month. For purposes of this chapter,

membership shall mean the satisfaction of all reasonable terms and conditions uniformly applicable to other members in good standing; provided, that such membership shall not be denied or terminated except in compliance with a constitution or bylaws which afford full and fair rights to speech, assembly, and equal voting and membership privileges for all members, and which contain adequate procedures to assure due process to members and applicants for membership.

To discharge or otherwise discriminate against an agricultural employee because he has filed charges or given testimony under this part.

(c) To refuse to bargain collectively in good faith with labor organizations certified pursuant to the provisions of Chapter 5 (commencing with Section 1156) of this part.

(f) To recognize, bargain with, or sign a collective/bargaining agreement with any labor organization not certified pursuant to the provisions of this part.

1154. It shall be an unfair labor practice for a labor organization or its agents to do any of the following:

(a) To restrain or coerce:

(1) Agricultural employees in the exercise of the rights guaranteed in Section 1152. This paragraph shall not impair the right of a labor organization to prescribe its own rules with respect to the acquisition or retention of membership therein.

(2) An agricultural employer in the selection of his representatives for the purposes of collective bargaining or the adjustment of grievances.

(b) To cause or attempt to cause an agricultural employer to discriminate against an employee in violation of subdivision (e) of Section 1153; or to discriminate against an employee with respect to whom membership in such organization has been denied or terminated for reasons other than failure to satisfy the membership requirements specified in subdivision (e) of Section 1153.

(c) To refuse to bargain collectively in good faith with an agricultural employer, provided it is the representative of his employees subject to the provisions of Chapter 5 (commencing with Section 1156) of this part.

(d) To do either of the following: (i) To engage in, or to induce or encourage any individual employed by any person to engage in, a strike or a refusal in the course of his employment to use, manufacture, process, transport, or otherwise handle or work on any goods, articles, materials, or commodities; or to perform any services; or (ii) to threaten, coerce, or restrain any person; where in either case (i) or (ii) an object thereof is any of the following:

(1) Forcing or requiring any employer or self-employed person to join any labor or employer organization or to enter into any contract which is prohibited by Section 1154.5.

(2) Forcing or requiring any person to cease using, selling, transporting, or otherwise dealing in the products of any other producer, processor, or manufacturer; or to cease doing business with any other person; or forcing or requiring any other employer to recognize or bargain with a labor organization as the representative of his employees unless such labor organization has been certified as the representative of such employees. Nothing contained in this paragraph shall be construed to make unlawful, where not otherwise unlawful, any primary strike or primary picketing.

(3) Forcing or requiring any employer to recognize or bargain with a particular labor organization as the representative of his agricultural employees if another labor organization has been certified as the representative of such employees under the provisions of Chapter 5 (commencing with Section 1156) of this part.

(4) Forcing or requiring any employer to assign particular work to employees in a particular labor organization or in a particular trade, craft, or class, unless such employer is failing to conform to an order or certification of the board determining the bargaining representative for employees performing such work.

Nothing contained in this subdivision (d) shall be construed to prohibit publicity, including picketing for the purpose of truthfully advising the public, including consumers, that a product or products or ingredients thereof are produced by an agricultural employer with whom the labor organization has a primary dispute and are distributed by another employer, as long as such publicity does not have an effect of inducing any individual employed by any person other than the primary employer in the course of his employment to refuse to pick up, deliver, or transport any goods; or not to perform any services at the establishment of the employer engaged in such distribution; and as long as such publicity does not have the effect of requesting the public to cease patronizing such other employer.

However, publicity which includes picketing and has the effect of requesting the public to cease patronizing such other employer, shall be permitted only if the labor organization is currently certified as the representative of the primary employer's employees.

Further, publicity other than picketing, but including peaceful distribution of literature which has the effect of requesting the public to cease patronizing such other employer, shall be permitted only if the labor organization has not lost an election for the primary employer's employees within the preceding 12-month period; and no other labor organization is currently certified as the representative of the primary employer's employees.

Nothing contained in this subdivision (d) shall be construed to prohibit publicity, including picketing, which may not be prohibited under the United States Constitution or the California Constitution.

Nor shall anything in this subdivision (d) be construed to apply or be applicable to any labor organization in its representation of workers who are not agricultural employees. Any such labor organization shall continue to be governed in its intrastate activities for nonagricultural workers by Section 923 and applicable judicial precedents.

(e) To require of employees covered by an agreement authorized under subdivision (e) of Section 1153 the payment, as a condition precedent to becoming a member of such organization, of a fee in an amount which the board finds excessive or discriminatory under all circumstances. In making such a finding, the board shall consider, among other relevant factors, the practices and customs of labor organizations in the agriculture industry and the wages currently paid to the employees affected.

(f) To cause or attempt to cause an agricultural employer to pay or deliver, or agree to pay or deliver, any money or other thing of value, in the nature of an exaction, for services which are not performed or not to be performed.

(g) To picket or cause to be picketed; or threaten to picket or cause to be picketed; any employer where an object thereof is either forcing or requiring an employer to recognize or bargain with a labor organization as the representative of his employees; or forcing or requiring the employees of an employer to accept or select such labor organization as their collective/bargaining representative; unless such labor organization is currently certified as the representative of such employees; in any of the following cases:

(1) Where the employer has lawfully recognized in accordance with this part any other labor organization and a question concerning representation may not appropriately be raised under Section 1156.3.

(2) Where within the preceding 12 months a valid election under Chapter 5 (commencing with Section 1156) of this part has been conducted.

Nothing in this subdivision shall be construed to prohibit any picketing or other publicity for the purpose of truthfully advising the public (including consumers) that an employer does not employ members of, or have a contract with, a labor organization; unless an effect of such picketing is to induce any individual employed by any other person in the course of his employment; not to pick up, deliver, or transport any goods or not to perform any services.

Nothing in this subdivision (g) shall be construed to permit any act which would otherwise be an unfair labor practice under this section.

(h) To picket or cause to be picketed; or threaten to picket or cause to be picketed; any employer where an object thereof is either forcing or requiring an employer to recognize or bargain with the labor organization as a representative of his employees unless such labor organization is currently certified as the collective/bargaining representative of such employees.

(i) Nothing contained in this section shall be construed to make unlawful a refusal by any person to enter upon the premises of any agricultural employer, other than his own employer, if the employees of such employer are engaged in a strike ratified or approved by a representative of such employees whom such employer is required to recognize under this part.

1154.5. It shall be an unfair labor practice for any labor organization which represents the employees of the employer and such employer to enter into any contract or agreement, express or implied, whereby such employer ceases or refrains, or agrees to cease or refrain, from handling, using, selling, transporting, or otherwise dealing in any of the products of any other employer; or to cease doing business with any other person; and any contract or agreement entered into heretofore or hereafter containing such an agreement shall be, to such extent, unenforceable and void. Nothing in this section shall apply to an agreement between a labor organization and an employer relating to a supplier of an ingredient or ingredients which are integrated into a product produced or distributed by such employer where the labor organization is certified as the representative of the employees of such supplier; but no collective/bargaining agreement between such supplier and such labor organization is in effect. Further, nothing in this section shall apply to an agreement between a labor organization and an agricultural employer relating to the contracting or subcontracting of work to be done at the site of the farm and related operations. Nothing in this part shall prohibit the enforcement of any agreement which is within the foregoing exceptions.

Nor shall anything in this section be construed to apply or be applicable to any labor organization in its representation of workers who are not agricultural employees. Any such labor organization shall continue to be governed in its intrastate activities for nonagricultural workers by Section 923 and applicable judicial precedents.

1154.6. It shall be an unfair labor practice for an employer or labor organization, or their agents, willfully to arrange for persons to become employees for the primary purpose of voting in elections.

1155. The expressing of any views, arguments, or opinions; or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute evidence of an unfair labor practice under

the provisions of this part; if such expression contains no threat of reprisal or force; or promise of benefit.

1155.2. (a) For purposes of this part, to bargain collectively in good faith is the performance of the mutual obligation of the agricultural employer and the representative of the agricultural employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment; or the negotiation of an agreement; or any questions arising thereunder; and the execution of a written contract incorporating any agreement reached if requested by either party; but such obligation does not compel either party to agree to a proposal or require the making of a concession.

(b) Upon the filing by any person of a petition not earlier than the 90th day nor later than the 60th day preceding the expiration of the 12-month period following initial certification, the board shall determine whether an employer has bargained in good faith with the currently certified labor organization. If the board finds that the employer has not bargained in good faith, it may extend the certification for up to one additional year, effective immediately upon the expiration of the previous 12-month period following initial certification.

1155.3. (a) Where there is in effect a collective/bargaining contract covering agricultural employees, the duty to bargain collectively shall also mean that no party to such contract shall terminate or modify such contract, unless the party desiring such termination or modification does all of the following:

(1) Serves a written notice upon the other party to the contract of the proposed termination or modification not less than 60 days prior to the expiration date thereof; or, in the event such contract contains no expiration date, 60 days prior to the time it is proposed to make such termination or modification.

(2) Offers to meet and confer with the other party for the purpose of negotiating a new contract or a contract containing the proposed modifications.

(3) Notifies the Conciliation Service of the State of California within 30 days after such notice of the existence of a dispute; provided no agreement has been reached by that time.

(4) Continues in full force and effect, without resorting to strike or lockout, all the terms and conditions of the existing contract, for a period of 60 days after such notice is given; or until the expiration date of such contract, whichever occurs later.

(b) The duties imposed upon agricultural employers and labor organizations by paragraphs (2), (3), and (4) of subdivision (a) shall become inapplicable upon an intervening certification of the board that the labor organization or individual which is a party to the contract has been superseded as; or has ceased to be the representative of the employees, subject to the provisions of Chapter 5 (commencing with Section 1156) of this part; and the duties so imposed shall not be construed to require either party to discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period; if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract. Any agricultural employee who engages in a strike within the 60-day period specified in this section shall lose his status as an agricultural employee of the agricultural employer engaged in the particular labor dispute, for the purposes of Section 1153 to 1154 inclusive, and Chapters 5 (commencing with Section 1156) and 6 (commencing with Section 1160) of this part; but such loss of status for such employee shall terminate if and when he is reemployed by such employer.

1155.4. It shall be unlawful for any agricultural employer or association of agricultural employers, or any person who acts as a labor relations expert, adviser, or consultant to an agricultural employer, or who acts in the interest of an agricultural employer, to pay, lend, or deliver, any money or other thing of value to any of the following:

(a) Any representative of any of his agricultural employees.

(b) Any agricultural labor organization, or any officer or employee thereof, which represents, seeks to represent, or would admit to membership, any of the agricultural employees of such employer.

(c) Any employee or group or committee of employees of such employer in excess of their normal compensation for the purpose of causing such employee or group or committee directly or indirectly to influence any other employees in the exercise of the right to organize and bargain collectively through representatives of their own choosing.

(d) Any officer or employee of an agricultural labor organization with intent to influence him in respect to any of his actions, decisions, or duties as a representative of agricultural employees or as such officer or employee of such labor organization.

1155.5. It shall be unlawful for any person to request, demand, receive, or accept, or agree to receive or accept, any payment, loan, or delivery of any money or other thing of value prohibited by Section 1155.4.

1155.6. Nothing in Section 1155.4 or 1155.5 shall apply to any matter set forth in subsection (c) of Section 186 of Title 20 of the United States Code.

1155.7. Nothing in this chapter shall be construed to apply or be applicable to any labor organization in its representation of workers who are not agricultural employees. Any such labor organization shall continue to be governed in its intrastate activities for nonagricultural workers by Section 923 and applicable judicial precedents.

#### CHAPTER 5. LABOR REPRESENTATIVES AND ELECTIONS

1156. Representatives designated or selected by a secret ballot for the purposes of collective bargaining by the majority of agricultural employees in the bargaining unit shall be the exclusive representatives of all the agricultural employees in such unit for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, or other conditions of employment. Any individual agricultural employee or a group of agricultural employees shall have the right at any time to present grievances to their agricultural employer and to have such grievances adjusted, without the intervention of the bargaining representative, as long as the adjustment is not inconsistent with the terms of a collective bargaining contract or agreement then in effect; if the bargaining representative has been given opportunity to be present at such adjustment.

1156.2. The bargaining unit shall be all the agricultural employees of an employer. If the agricultural employees of the employer are employed in two or more noncontiguous geographical areas, the board shall determine the appropriate unit or units of agricultural employees in which a secret ballot election shall be conducted.

1156.3. (a) A petition which is either signed by, or accompanied by authorization cards signed by, a majority of the currently employed employees in the bargaining unit may be filed in accordance with such rules and regulations as may be prescribed by the board; by an agricultural employee or group of agricultural employees, or any individual or labor organization acting in their behalf alleging all the following:

(1) That the number of agricultural employees currently employed by the employer named in the petition, as determined from his payroll immediately preceding the filing of the petition, is not less than 50 percent of his peak agricultural employment for the current calendar year.

(2) That no valid election pursuant to this section has been conducted among the agricultural employees of the employer named in the petition within the 12 months immediately preceding the filing thereof.

(3) That no labor organization is currently certified as the exclusive collective/bargaining representative of the agricultural employees of the employer named in the petition.

(4) That the petition is not barred by an existing collective/bargaining agreement.

Upon receipt of such a signed petition, the board shall immediately investigate such petition; and, if it has reasonable cause to believe that a bona fide question of representation exists, it shall direct a representation election by secret ballot to be held, upon due notice to all interested parties and within a maximum of seven days of the filing of the petition. If at the time the election petition is filed a majority of the employees in a bargaining unit are engaged in a strike, the board shall, with all due diligence, attempt to hold a secret ballot election within 48 hours of the filing of such petition. The holding of elections under strike circumstances shall take precedence over the holding of other secret ballot elections.

The board shall make available at any election under this chapter ballots printed in English and Spanish. The board may also make available at such election ballots printed in any other language as may be requested by an agricultural labor organization, or agricultural employee eligible to vote under this part. Every election ballot, except ballots in runoff elections where the choice is between labor organizations, shall provide the employee with the opportunity to vote against representation by a labor organization by providing an appropriate space designated "No Labor Organizations".

(b) Any other labor organization shall be qualified to appear on the ballot if it presents authorization cards signed by at least 90 percent of the employees in the bargaining unit at least 24 hours prior to the election.

(c) Within five days after an election, any person may file with the board a signed petition asserting that allegations made in the petition filed pursuant to subdivision (a) were incorrect, that the board improperly determined the geographical scope of the bargaining unit, or objecting to the conduct of the election or conduct affecting the results of the election.

Upon receipt of a petition under this subdivision, the board, upon due notice, shall conduct a hearing to determine whether the election shall be certified. Such hearing may be conducted by an officer or employee of a regional office of the board. He shall make no recommendations with respect thereto. If the board finds, on the record of such hearing, that any of the assertions made in the petition filed pursuant to this subdivision are correct, or that the election was not conducted properly, or misconduct affecting the results of election occurred, the board may refuse to certify the election. If the board determines that there are sufficient grounds to refuse to do so, it shall certify the election.

(d) If no petition is filed pursuant to subdivision (c) within five days of the election the board shall certify the election.

(e) The board shall decertify a labor organization if the United States Equal Employment Opportunity Commission has found, pursuant to Section 2000(e)-(5) of Title 42 of the United States Code, that the labor organization engaged in discrimination on the basis of color, national origin, religion, sex or any other arbitrary or discriminatory classification in violation of Subchapter VI of Chapter 21 of Title 42 of the United States Code during the period of such labor organization's present certification.

1156.4. Recognizing that agriculture is a seasonal occupation for a majority of agricultural employees, and wishing to provide the fullest scope for employees' enjoyment of the rights included in this part, the board shall not consider a representation petition or a petition to decertify as timely filed unless the employer's payroll reflects 50 percent of the peak agricultural employment for such employer for the current calendar year for the payroll period immediately preceding the filing of the petition.

In this connection, the peak agricultural employment for the prior season shall alone not be a basis for such determination; but rather the board shall estimate peak employment on the basis of acreage and crop statistics which shall be applied uniformly throughout the State of California and upon all other relevant data.

1156.5. The board shall not direct an election in any bargaining unit where a valid election has been held in the immediately preceding 12-month period.

1156.6. The board shall not direct an election in any bargaining unit which is represented by a labor organization that has been certified within the immediately preceding 12-month period or whose certification has been extended pursuant to subdivision (b) of Section 1155.2.

1156.7. (a) No collective/bargaining agreement executed prior to the effective date of this chapter shall bar a petition for an election.

(b) A collective/bargaining agreement executed by an employer and a labor organization certified as the exclusive bargaining representative of his employees pursuant to this chapter shall be a bar to a petition for an election among such employees for the term of the agreement; but in any event such bar shall not exceed three years; provided that both the following conditions are met:

(1) The agreement is in writing and executed by all parties thereto.

(2) It incorporates the substantive terms and conditions of employment of such employees.

(c) Upon the filing with the board by an employee or group of employees of a petition signed by 30 percent or more of the agricultural employees in a bargaining unit represented by a certified labor organization which is a party to a valid collective/bargaining agreement; requesting that such labor organization be decertified; the board shall conduct an election by secret ballot pursuant to the applicable provisions of this chapter; and shall certify the results to such labor organization and employer.

However, such a petition shall not be deemed timely unless it is filed during the year preceding the expiration of a collective/bargaining agreement which would otherwise bar the holding of an election; and when the number of agricultural employees is not less than 50 percent of the employer's peak agricultural employment for the current calendar year.

(d) Upon the filing with the board of a signed petition by an agricultural employee or group of agricultural employees, or any individual or labor organization acting in their behalf, accompanied by authorization cards signed by a majority of the employees in an appropriate bargaining unit; and alleging all the conditions of paragraphs (1), (2), and (3); the board shall immediately investigate such petition and, if it has reasonable cause to believe that a bona fide question of representation exists; it shall direct an election by secret ballot pursuant to the applicable provisions of this chapter:

(1) That the number of agricultural employees currently employed by the employer named in the petition; as determined from his payroll immediately preceding the filing of the petition; is not less than 50 percent of his peak agricultural employment for the current calendar year.

(2) That no valid election pursuant to this section has been conducted among the agricultural employees of the employer named in the petition within the 12 months immediately preceding the filing thereof.

(3) That a labor organization, certified for an appropriate unit; has a collective/bargaining agreement with the employer which would otherwise bar the holding of an election and that this agreement will expire within the next 12 months.

1157. All agricultural employees of the employer whose names appear on the payroll applicable to the payroll period immediately preceding the filing of the petition of such an election shall be eligible to vote. An economic striker shall be eligible to vote under such elections as the board shall find are consistent with the purposes and provisions of this part in any election; provided that the striker who has been permanently replaced shall not be eligible to vote in any election conducted more than 12 months after the commencement of the strike.

In the case of elections conducted within 18 months of the effective date of this part which involve labor disputes which commenced prior to such effective date; the board shall have the jurisdiction to adopt fair, equitable; and appropriate eligibility rules; which shall effectuate the policies of this part; with respect to the eligibility of economic strikers who were paid for work performed or for paid vacation during the payroll period immediately preceding the expiration of a collective/bargaining agreement or the commencement of a strike; provided; however; that in no event shall the board afford eligibility to any such striker who has not performed any services for the employer during the 36-month period immediately preceding the effective date of this part.

1157.2. In any election where none of the choices on the ballot receives a majority; a runoff shall be conducted; the ballot providing for a selection between the two choices receiving the largest and second largest number of valid votes cast in the election.

1157.3. Employers shall maintain accurate and current payroll lists containing the names and addresses of all their employees; and shall make such lists available to the board upon request.

1158. Whenever an order of the board made pursuant to Section 1160.3 is based in whole or in part upon the facts certified following an investigation pursuant to Sections 1156.3 to 1157.2 inclusive; and there is a petition for review of such order; such certification and the record of such investigation shall be included in the transcript of the entire record required to be filed under Section 1160.8 and thereupon the decree of the court enforcing; modifying; or setting aside in whole or in part the order of the board shall be made and entered upon the pleadings; testimony; and proceedings set forth in such transcript.

1159. In order to assure the full freedom of association; self-organization; and designation of representatives of the employees own choosing; only labor organizations certified pursuant to this part shall be parties to a legally valid collective/bargaining agreement.

#### CHAPTER 6. PREVENTION OF UNFAIR LABOR PRACTICES AND JUDICIAL REVIEW AND ENFORCEMENT

1160. The board is empowered; as provided in this chapter; to prevent any person from engaging in any unfair labor practice; as set forth in Chapter 4 (commencing with Section 1152) of this part.

1160.2. Whenever it is charged that any person has engaged in or is engaging in any such unfair labor practice; the board; or any agent or agency designated by the board for such purposes; shall have power to issue and cause to be served upon such person a complaint stating the charges in that respect; and containing a notice of hearing before the board or a member thereof; or before a designated agency or agencies; at a place therein fixed; not less than five days after the serving of such complaint. No complaint shall issue based upon any unfair labor practice occurring more than six months prior to the filing of the charge with the board and the service of a copy thereof upon the person against whom such charge is made; unless the person aggrieved thereby was prevented from filing such charge by reason of service in the armed forces; in which event the six-month period shall be computed from the day of his discharge. Any such complaint may be amended by the member; agent; or agency conducting the hearing; or the board in its discretion; at any time prior to the issuance of an order based thereon. The person so complained against shall have the right to file an answer to the original or amended complaint and to appear in person or otherwise and give testimony at the place and time fixed in the complaint. In the discretion of the member; agent; or agency conducting the hearing or the board; any other person may be allowed to intervene in the proceeding and to present testimony. Any such proceeding shall; so far as practicable; be conducted in accordance with the Evidence Code. All proceedings shall be appropriately reported.

1160.3. The testimony taken by such member; agent; or agency; or the board in such hearing shall be reduced to writing and filed with the board. Thereafter; in its discretion; the board; upon notice; may take further testimony or hear argument. If; upon the preponderance of the testimony taken; the board shall be of the opinion that any person named in the complaint has engaged in or is engaging in any such unfair labor practice; the board shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair labor practice; to take affirmative action; including reinstatement of employees with or without backpay; and making employees whole; when the board deems such relief appropriate; for the loss of pay resulting from the employer's refusal to bargain; and to provide such other relief as will effectuate the policies of this part. Where an order directs reinstatement of an employee; backpay may be required of the employer or labor organization; as the case may be; responsible for the discrimination suffered by him. Such order may further require such person to make reports from time to time showing the extent to which it has complied with the order. If; upon the preponderance of the testimony taken; the board shall be of the opinion that the person named in the complaint has not engaged in or is not engaging in any unfair labor practice; the board shall state its findings of fact and shall issue an order dismissing the complaint. No order of the board shall require the reinstatement of any individual as an employee who has

been suspended or discharged; or the payment to him of any backpay; if such individual was suspended or discharged for cause. In case the evidence is presented before a member of the board; or before an administrative law officer thereof; such member, or such administrative law officer, as the case may be, shall issue and cause to be served on the parties to the proceedings a proposed report; together with a recommended order, which shall be filed with the board; and, if no exceptions are filed within 20 days after service thereof upon such parties, or within such further period as the board may authorize, such recommended order shall become the order of the board and become effective as therein prescribed.

Until the record in a case shall have been filed in a court, as provided in this chapter, the board may, at any time upon reasonable notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any finding or order made or issued by it.

1160.1. The board shall have power, upon issuance of a complaint as provided in Section 1160.2 charging that any person has engaged in or is engaging in an unfair labor practice; to petition the superior court in any county wherein the unfair labor practice in question is alleged to have occurred; or wherein such person resides or transacts business; for appropriate temporary relief or restraining order. Upon the filing of any such petition, the board shall cause notice thereof to be served upon such person; and thereupon the court shall have jurisdiction to grant to the board such temporary relief or restraining order as the court deems just and proper.

1160.5. Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of paragraph (1) of subdivision (d) of Section 1154, the board is empowered and directed to hear and determine the dispute out of which such unfair labor practice shall have arisen; unless within 10 days after notice that such charge has been filed, the parties to such dispute submit to the board satisfactory evidence that they have adjusted, or agreed upon methods for the voluntary adjustment of the dispute. Upon compliance by the parties to the dispute with the decision of the board or upon such voluntary adjustment of the dispute, such charge shall be dismissed.

1160.6. Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of paragraph (1); (2); or (3) of subdivision (d); or of subdivision (g); of Section 1154; or of Section 1155, the preliminary investigation of such charge shall be made forthwith and given priority over all other cases except cases of like character in the office where it is filed or to which it is referred. If, after such investigation, the officer or regional attorney to whom the matter may be referred has reasonable cause to believe such charge is true and that a complaint should issue, he shall, on behalf of the board, petition the superior court in the county in which the unfair labor practice in question has occurred; is alleged to have occurred; or where the person alleged to have committed the unfair labor practice resides or transacts business; for appropriate injunctive relief pending the final adjudication of the board with respect to the matter. The officer or regional attorney shall make all reasonable efforts to advise the party against whom the restraining order is sought of his intention to seek such order at least 24 hours prior to doing so. In the event the officer or regional attorney has been unable to advise such party of his intent at least 24 hours in advance, he shall submit a declaration to the court under penalty of perjury setting forth in detail the efforts he has made. Upon the filing of any such petition, the superior court shall have jurisdiction to grant such injunctive relief or temporary restraining order as it deems just and proper. Upon the filing of any such petition, the board shall cause notice thereof to be served upon any person involved in the charge and such person, including the charging party, shall be given an opportunity to appear by counsel and present any relevant testimony. For the purposes of this section, the superior court shall be deemed to have jurisdiction of a labor organization either in the county in which such organization maintains its principal office; or in any county in which its duly authorized officers or agents are engaged in promoting or protecting the interests of employee members. The service of legal process upon such officer or agent shall constitute service upon the labor organization and make such organization a party to the suit. In situations where such relief is appropriate, the procedure specified herein shall apply to charges with respect to paragraph (1) of subdivision (d) of Section 1154.

1160.7. Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of subdivision (e) of Section 1153 or subdivision (b) of Section 1154, such charge shall be given priority over all other cases except cases of like character in the office where it is filed or to which it is referred and cases given priority under Section 1160.6.

1160.8. Any person aggrieved by the final order of the board granting or denying in whole or in part the relief sought may obtain

a review of such order in the court of appeal having jurisdiction over the county wherein the unfair labor practice in question was alleged to have been engaged in; or wherein such person resides or transacts business; by filing in such court a written petition requesting that the order of the board be modified or set aside. Such petition shall be filed with the court within 30 days from the date of the issuance of the board's order. Upon the filing of such petition, the court shall cause notice to be served upon the board and thereupon shall have jurisdiction of the proceeding. The board shall file in the court a record of the proceeding, certified by the board within 10 days after the clerk's notice unless such time is extended by the court for good cause shown. The court shall have jurisdiction to grant to the board such temporary relief or restraining order it deems just and proper and in like manner to make and enter a decree enforcing, modifying and enforcing as so modified, or setting aside in whole or in part, the order of the board. The findings of the board with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall in like manner be conclusive.

An order directing an election shall not be stayed pending review; but such order may be reviewed as provided in Section 1158.

If the time for review of the board order has lapsed; and the person has not voluntarily complied with the board's order, the board may apply to the superior court in any county in which the unfair labor practice occurred or wherein such person resides or transacts business for enforcement of its order. If after hearing, the court determines that the order was issued pursuant to procedures established by the board and that the person refuses to comply with the order, the court shall enforce such order by writ of injunction or other proper process. The court shall not review the merits of the order.

1160.9. The procedures set forth in this chapter shall be the exclusive method of redressing unfair labor practices.

#### CHAPTER 7. SUITS INVOLVING EMPLOYERS AND LABOR ORGANIZATIONS

1165. (a) Suits for violation of contracts between an agricultural employer and an agricultural labor organization representing agricultural employees, as defined in this part, or between any such labor organizations, may be brought in any superior court having jurisdiction of the parties, without respect to the amount in controversy.

(b) Any agricultural labor organization which represents agricultural employees and any agricultural employer shall be bound by the acts of its agents. Any such labor organization may sue or be sued as an entity and in behalf of the employees whom it represents in the courts of this state. Any money judgment against a labor organization in a superior court shall be enforceable only against the organization as an entity and against its assets; and shall not be enforceable against any individual member or his assets.

1165.2. For the purpose of this part, the superior court shall have jurisdiction over a labor organization in this state if such organization maintains its principal office in this state; or if its duly authorized officers or agents are engaged in representing or acting for employee members.

1165.3. The service of summons, subpoena, or other legal process of any superior court upon an officer or agent of a labor organization, in his capacity as such, shall constitute service upon the labor organization.

1165.4. For the purpose of this part, in determining whether any person is acting as an agent of another person so as to make such other person responsible for his acts, the question of whether the specific acts performed were actually authorized or subsequently ratified shall not be controlling.

#### CHAPTER 8. LIMITATIONS

1166. Nothing in this part, except as specifically provided for herein, shall be construed so as either to interfere with or impede or diminish in any way the right to strike, or to affect the limitations or qualifications on such right.

1166.2. Nothing in this part shall prohibit any individual employed as a supervisor from becoming or remaining a member of a labor organization; but no employer subject to this part shall be compelled to deem individuals defined herein as supervisors as employees for the purpose of any law, either national or local, relating to collective bargaining.

1166.3. (a) If any provision of this part, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of this part, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

(b) If any other act of the Legislature shall conflict with the provisions of this part, this part shall prevail.



## TEXT OF PROPOSITION 15

This law proposed by Senate Bill 1416 (Statutes of 1976, Chapter 263) expressly amends existing sections of the law; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions proposed to be inserted or added are printed in *italic type* to indicate that they are new.

### PROPOSED AMENDMENTS TO INITIATIVE ACT

An act to amend an initiative act entitled "An act prescribing the terms upon which licenses may be issued to practitioners of chiropractic, creating the State Board of Chiropractic Examiners and declaring its powers and duties, prescribing penalties for violation hereof, and repealing all acts and parts of acts inconsistent herewith" approved by electors November 7, 1922, by amending Sections 1, 3, 4, 5, and 6 thereof, said amendments to take effect upon the approval thereof by the electors, and providing for the submission thereof to the electors, pursuant to subdivision (c) of Section 24 of Article IV \* of the State Constitution, relating to chiropractic.

SECTION 1. Section 1 of the act cited in the title is amended to read:

Section 1. A board is hereby created to be known as the "State Board of Chiropractic Examiners," hereinafter referred to as the board. ~~The board, which shall consist of five seven members; citizens of the United States, with at least five years residence in California; appointed by the Governor. Each member shall be of good moral character a citizen of the United States and shall have been a resident of California for five years. Two members shall be public members. and Each licensee member shall have had at least five years of licensure in this state prior to appointment. Each licensee member must have pursued a resident course in an approved chiropractic school or college, and must be a graduate thereof and hold a diploma therefrom.~~

Not more than two persons shall serve simultaneously as members of said board, whose first diplomas were issued by the same school or college of chiropractic, nor shall more than two members be residents of any one county of the state. And no person who is or within one year of the proposed appointment has been an administrator, policy board member, or paid employee of any chiropractic school or college shall be eligible for appointment to the board. Each member of board shall receive a per diem in the amount provided in Section of the Business and Professions Code for each day during which ~~he~~ is actually engaged in the discharge of his duties, together with his actual and necessary travel expenses incurred in connection with the performance of the duties of his office, such per diem, travel expenses and other incidental expenses of the board or of its members to be paid out of the funds of the board hereinafter defined and not from the state's taxes.

SEC. 2. Section 3 of the act cited in the title is amended to read:

Sec. 3. The board shall elect a chairman and a vice chairman and a secretary to be chosen from the members of the board. The board shall employ an executive officer and fix his salary with the approval of the Director of Finance. Elections of the officers shall occur annually at the January meeting of the board. A majority of the board shall constitute a quorum.

It shall require the affirmative vote of ~~three~~ four members of said board to carry any motion or resolution, to adopt any rule, or to authorize the issuance of any license provided for in this act. The executive officer shall receive a salary to be fixed by the board, together with his actual and necessary traveling expenses incurred in connection with the performance of the duties of his office, and shall give bond to the state in such sum with such sureties as the board may deem proper. He shall keep a record of the proceedings of the board, which shall at times during business hours be open to the public for inspection. He shall keep a true and accurate account of all funds received and of all expenditures incurred or authorized by the board, and on the first day of December of each year he shall file with the Governor or his designee, a report of all receipts and disbursements and of the proceedings of the board for the preceding fiscal year.

SEC. 3. Section 4 of the act cited in the title is amended to read:

Sec. 4. Powers of board. The board shall have power:

(a) To adopt a seal, which shall be affixed to all licenses issued by the board.

(b) To adopt from time to time such rules and regulations as the board may deem proper and necessary for the performance of its work, the effective enforcement and administration of this act, the establishment of educational requirements for license renewal, and the protection of the public. Such rules and regulations shall be adopted, amended, repealed and established in accordance with the provisions of Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code as it now reads or as it may be hereafter amended by the Legislature.

(c) To examine applicants and to issue and revoke licenses to practice chiropractic, as herein provided.

(d) To summon witnesses and to take testimony as to matters pertaining to its duties; and each member shall have power to administer oaths and take affidavits.

(e) To do any and all things necessary or incidental to the exercise of the powers and duties herein granted or imposed.

(f) To determine minimum requirements for teachers in chiropractic schools and colleges.

(g) To approve chiropractic schools and colleges whose graduates may apply for licenses in this state. Any school or college having status with the Accrediting Commission of the Council on Chiropractic Education or the equivalent criterion thereof, and meeting the requirements of Section 5 of this act and the rules and regulations adopted by the board shall be eligible for such approval.

(h) The board may employ such investigators, clerical assistants, and other employees as it may deem necessary to carry into effect the provisions of this act, and shall prescribe the duties of such employees.

SEC. 4. Section 5 of the act cited in the title is amended to read:

Sec. 5. License to Practice: Fee: Educational Requirements. It shall be unlawful for any person to practice chiropractic in this state without a license so to do. Any person wishing to practice chiropractic in this state shall make application to the board ~~15~~ 45 days prior to any meeting thereof, upon such form and in such manner as may be provided by the board. *Proof of graduation from an approved chiropractic school or college must reach the board 15 days prior to any meeting thereof.* Each application must be accompanied by a ~~license~~ *license* fee of fifty dollars (\$50) ~~and a certificate showing good moral character of the applicant.~~ Except in the cases herein otherwise prescribed, each applicant shall be ~~a graduate of an approved present evidence of having attended, and graduated from, a chiropractic school or college which teaches a course of not less than 4,000 hours, extended over a period of four school terms of at least nine months each accredited by or recognized as a candidate for accreditation by the Accrediting Commission of the Council on Chiropractic Education, or the equivalent thereof, and shall present to the board at the time of making such application a diploma from a high school and a transcript of 60 prechiropractic college credits satisfactory to the board, or proof, satisfactory to the board, of education equivalent in training power to a such high school course and college courses.~~

The schedule of minimum educational requirements to enable any person to practice chiropractic in this state is as follows, except as herein otherwise provided:

Group 1	Anatomy, including embryology and histology .....	18 to 20%	14%
Group 2	Physiology .....	6 to 8%	6%
Group 3	Biochemistry; <del>inorganic and organic chemistry</del> clinical nutrition .....	6 to 8%	6%
Group 4	Pathology and bacteriology .....	10 to 12%	10%
Group 5	Public health, hygiene and sanitation .....	3 to 4%	3%
Group 6	Diagnosis, <del>pediatrics, dermatology, syphilology and psychiatry</del> geriatrics, and radiological technology, safety, and interpretation .....	12 to 18%	18%
Group 7	Obstetrics and gynecology and <del>pediatrics</del> .....	3 to 4%	3%
Group 8	Principles and practice of chiropractic, <del>physiotherapy</del> physical therapy, psychiatry, and office procedure .....	25 to 28%	25%
	Total .....	83 to 100%	85%
	Electives .....	17 to 0%	15%

*Any applicant who had matriculated at a chiropractic college prior to the effective date of the amendments to this section submitted to the electors by the 1975-1976 Regular Session of the Legislature shall meet all requirements that existed immediately prior to the effective date of those amendments but need not meet the change in requirements made by said amendments.*

SEC. 5. Section 6 of the act cited in the title is amended to read:

Sec. 6. (a) The office of the board shall be in the City of Sacramento. Suboffices may be established in Los Angeles and San Francisco, and such records as may be necessary may be transferred temporarily to such suboffices. Legal proceedings against the board may be instituted in any one of the three cities.

(b) The board shall meet as a board of examiners at least twice each calendar year, at such times and places as may be found necessary for the performance of its duties.

\* Renumbered Section 10 of Article II on June 8, 1976.

(c) Examinations shall be written, oral, and practical, covering chiropractic as taught in chiropractic schools or colleges, designed to ascertain the fitness of the applicant to practice chiropractic. Said examination shall include at least each of the subjects as set forth in Section 5 hereof. Identity of the applicants shall not be disclosed to the examiners until after examinations have been given final grades. A license shall be granted to any applicant who shall make a general average of 75 percent, and not fall below 60 percent in more than two subjects or branches of the examination and receive a 75 percent score in all parts of the practical examination as designated by the board. Any applicant failing to make the required grade shall be given credit for the branches passed, and may, without further cost,

take the examination at the next regular examination on the subjects in which he failed. For each year of actual practice since graduation the applicant shall be given a credit of 1 percent on the general average.

(d) *An applicant having fulfilled the requirements of Section 5 and paid the fee thereunder, and having obtained a diplomate certificate from the National Board of Chiropractic Examiners, may offer said certificate together with a transcript of grades secured in said national board examination, and the California Board of Chiropractic Examiners may accept same in lieu of all or a portion of the California board examination as determined by the board.*

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Witness my hand and the Great Seal of the State in  
Sacramento, California this eighth day of August, 1976.



*March Fong Eu*  
MARCH FONG EU  
Secretary of State